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DOCTOR OF PHILOSOPHY

**The Development of an Instructional Intervention for Auditing Learning
Evidence from Thailand**

Yarana, Chanida

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Chanida Yarana

2016

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The Development of an Instructional Intervention for Auditing Learning: Evidence from Thailand

Chanida Yarana

A Thesis Submitted to the University of Dundee in Fulfilment of the
Requirements for the Award of the Degree of Doctor of Philosophy

Department of Accounting and Finance
School of Social Sciences
University of Dundee
2016

DECLARATION

I, Ms. Chanida Yarana, am the sole author of this thesis; that, unless otherwise stated, all references cited have been consulted by me; that the work of which the thesis is a record has been done by me, and that it has not been previously accepted for a higher degree.

Signed



Date

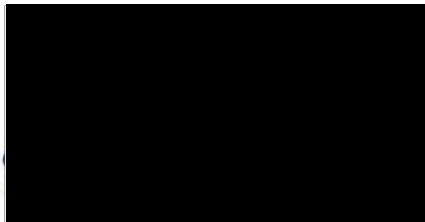
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Ms. Chanida Yarana

STATEMENT

I confirm that the conditions of the relevant Ordinance and Regulations have been fulfilled.

Signed ...



Date

28/6/2016

Dr. Elizabeth A. Monk

Signed

Date

Dr. Vicky Lambert

DEDICATION

For My Family

ACKNOWLEDGEMENT

First and foremost, I owe my most sincere gratitude to my supervisors: Dr. Elizabeth A. Monk (the principal supervisor), Dr. Vicky Lambert (the co-supervisor) and Dr. Rosa Michelson (the ex co-supervisor) for your valuable support and encouragement throughout my Ph.D journey. You have given me an opportunity to arrange my work and make my own decisions about the thesis. Importantly, your advice does not only contribute to the accomplishment of my thesis, but also contributes to the cultivation of my transformative learning and life-long learning skills which I can apply throughout my life.

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GLOSSARY

ACCA	The Association of Chartered Certified Accountants
ADDIE	The instructional design model which is composed of five steps namely Analyse, Design, Develop, Implement and Evaluate
AEC	The ASEAN Economic Community
AECC	The Accounting Education Change Commission
AEDI	Thorne's Accounting Ethical Dilemma Instrument
AICPA	The American Institute of Certified Public Accountants
AL	Action Learning
ANA	The American Nurses Association's Code of Ethics in Nursing
ASEAN	The Association of South-East Asian Nations
AUPT	Association of University Presidents of Thailand
CALL	Computer-assisted Language Learning
CCF	The Core Competency Framework for Entry into the Accounting Profession
CPA	Certified Public Accountants
CPI	Transparency International's Corruption Perceptions Index
CPS	The Classroom Performance System
CUAS	Central University Admissions System
DIT	Defining Issues Test
DSI	The Development of Special Investigation of Thailand
EDP	Electronics Data Processing
EEF	The Ethics Education Framework
ELT	Experiential Learning Theory
ESP	English for Specific Purposes
FAP	The Federation of Accounting Professions under the Royal Patronage of His Majesty the King of Thailand
GAT	General Aptitude Test
GPAX	Cumulative grade point average for every subject in upper secondary schooling

IAASB	The International Auditing and Assurance Standards Board
IAESB	The International Accounting Education Standard Board
ICAAT	The Institution of Certified Accountants and Auditors of Thailand
ICAEW	The Institute of Chartered Accountants in England and Wales
IES(s)	The International Accounting Education Standards
IFAC	The International Federation of Accountants
IPLE	An Interactive Professional Learning Experience
IPO	Input-Process-Output paradigm
ISA(s)	The International Standards on Auditing
IT	Information Technology
MJI	Moral Judgement Interview
MOI	The Ministry of Interior
MOE	The Ministry of Education
MSR	Model for Structure Reflection
MUA	The Ministry of University Affairs
NEA	The National Education Act
NESDB	The National Economic and Social Development Board
NPD	The New Product Development
NRU	The National Research University
ONEC	The National Education Commission
O-NET	Ordinary National Education Test
ONESQA	The Office for National Education Standards and Quality Assessment
PAT	Professional and Academic Aptitude Test
PBL	Problem-based Learning
PFRP	The Personal Financial Reporting Project
PLT	Project-based Learning Theory
QS	Queen Sirikit Building
RLT	Reflective Learning Theory

RO	Research Objective
ROI	Return on Investment
RQ	Research Question
SAL	Students' Approaches to Learning
SCAM	A software package developed for auditing students
SCQF	The Scottish Credit and Qualifications Framework
SEC	The Securities and Exchange Commission (SEC)
SU	Salisbury University
TA	Tax Auditor
TLT	Transformative Learning Theory
TQF	The Thai Qualifications Framework for Higher Education
TSA	Thai Standards on Auditing
TSQC	Thai Standards on Quality Control
U.S.	United States of America
UK	United Kingdom

ABSTRACT

The changes in economy in addition to globalisation have impacted upon the audit profession. After the economic crisis in the 2000s, the audit profession was deemed to be a cause of the corporate collapse due to unethical behaviour of auditors. This issue also impacts upon auditing instruction worldwide, including Thailand where political and economic crises along with corruption issues have become significant and urgent problems in the Thai society. There has been a high scrutiny on capabilities, competence and ethics of auditors from the public and other stakeholders, whereas there is scant evidence to show whether Thai educators take action on enhancing holistic attributes of their auditing students, in particular, ethical sensitivity of the students. Thereby, Thailand needs to reform the quality of audit education in order to serve qualified graduate students to the business environment.

This thesis developed a set of reflective case studies as an instructional intervention for auditing learning. It aims to enhance professional knowledge, skills and ethics of auditing students in Thailand. Four learning theories comprising Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) were applied as the theoretical framework. In addition, this thesis applied concepts of qualitative and action research together with the ADDIE instructional development as the practical framework for the development of an instructional intervention.

There were five phases of the ADDIE model: Analyse, Design, Develop, Implement and Evaluate applied to organise the empirical work. Two empirical

fieldworks were conducted within university settings in Thailand. The first fieldwork complied with the analysing phase of the ADDIE model exploring current practice and problems of audit instruction in Thailand in order to identify performance gap of the audit education. Semi-structured interviews were conducted in 11 universities with 34 participants who were audit lecturers and students in five regions throughout the country. The results showed that in general, audit instructors in Thailand mostly applied traditional teaching methods. However, there were problems of audit instruction comprising inappropriate learning strategies of the students, lack of staff and learning resources, deficiencies of knowledge and skills of audit students and lack of ethical awareness of the students. Significantly, the participants required case studies in Thai context as a learning tool to enhance the knowledge, skills and ethics of Thai auditing students. These elements were determined as performance gap which was required to improve.

In response to the results of the first empirical fieldwork, the thesis applied the design and development phases of the ADDIE model to develop a set of reflective case studies for auditing students. A framework for the development of case studies derived from other professional education such as law, medicine, nursing and engineering where such real-life case studies have been successfully used to enhance ethical sensitivity of students. Additionally, concepts of reflective writing and audit working paper were applied in the cases studies. Other instruments such as guidance for lecturers and students were also developed for Thai auditing students. All instructional resources were validated by experts. The final version was refined and approved before the implementation.

The second empirical fieldwork complied with the implement and evaluate phases of the ADDIE model. An experiment conducted with 77 auditing students in Naresuan University, Phitsanulok, Thailand. In addition, there were 15 participants who voluntarily participated in the reflective writing activity and the focus group interview. The results revealed that before the cases' implementation, students had negative views on auditing learning. However, during and after the implementation, students had reformed their way of learning, attitudes towards auditing learning and ethical sensitivity.

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PART I: INTRODUCTION

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

This thesis seeks to enhance academic capability, professional skills and professional ethics of students in Thailand. It investigated current problems and practice of audit instruction in Thailand, designed and developed an instructional intervention to enhance holistic attributes of the students, and evaluated effectiveness of the developed instructional resources. This study employed a combination of four learning theories: Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) together with concepts of successful usages of case studies to enhance ethical awareness in other professional disciplines such as law, engineering, medicine and nursing were applied to develop the reflective case studies for auditing students. Concepts of Kuhn's (1970), and Laughlin's (1995) Middle-range thinking, qualitative research, a case-study methodology, action research approaches and the ADDIE instructional design model were utilised as the research paradigm, methodology and methods. Moreover, the concepts of reflective writing, audit working papers, and teamwork activities were integrated in the implementation of case studies for enhancing professional knowledge, skills and ethics of auditing students. Finally, this thesis uses various instruments and techniques such as open-ended questionnaires, self-reflective writing tasks and focus group interview in the data collection. All collected data were analysed and interpreted to evaluate quality of the instructional intervention.

The key aspects of this study are inspired by the dramatic changes in the economy and globalisation which influence the audit profession. Since the economic crisis, the auditing profession was blamed as a cause of the corporate collapse (Rezaee, 2004). Auditors, whose role is to lend credibility to companies' financial information, have been broadly criticized due to malpractice and immorality. They have less concern about the effects of unreliable financial statements. For example, the collapses of big companies such as Enron, WorldCom and Xerox Corporations explicitly demonstrate devastating impacts of unethical auditors and accountants. After the crisis, the standard of auditors' performance became more scrutinised from the stakeholders (Gray & Manson, 2011). The question is how to narrow the audit expectation gap¹ and improve the audit profession. This challenge does not only affect the audit practitioners, but also affects the audit educators. In terms of academic area, it is believed that good pedagogical foundation and educational experience are necessary for future auditors. Thereby, audit education becomes more important at present (Chaffey, Van Peursem, & Low, 2011). To meet the high expectations from the public, nurturing qualified auditors in the future has become a challenging responsibility of audit educators in higher education. However, accounting and auditing instruction in the universities have been criticised as becoming ineffective (Monk, 2004) and there is a performance gap which is required to narrow². For example, with regard to the literature review, traditional learning strategies of students seem to encourage passive, superficial and rote learning. Mostly, undergraduate students focus on contextual study rather than practice. They are concerned with numerical content rather

¹ The audit expectation gap means the gap between auditors' performance and stakeholders' expectations.

² A performance gap means a gap or discrepancy between actual performance and desired performance of the instruction. The discrepancy can be caused by a lack of resources, a lack of motivation, and a lack of knowledge and skill (Branch, 2009, pp. 27-29).

than judgement (Brown & Lint, 1982; Fleming, 1996), professional skills and professional ethics. As a result, in real-life working, graduate students encounter a failure of applying theory to practice. Additionally, since the economic crisis in the 2000s, there has been an increasing demand for auditing lecturers and students to develop ethical reasoning (Abdolmohammadi, Fedorowicz & Davis, 2009; Thomas, 2004). In particular, nurturing ethics and morality is very crucial in Thailand where domestic economic and political crises, including transparency and corruption issues, still apparently exist.

Personally, before I undertake the Ph.D. degree, I used to work as an audit lecturer in a Thai university. I noticed that Thai auditing students encountered a problem of linking between theory and practice. This problem resulted from surface, passive and repetitive learning which is similar to the problem of audit instruction worldwide where traditional methods such as lecture and exercise do not convey real-life experience to students. In particular, ethics teaching in the auditing classroom rarely emphasised promoting ethical sensitivity. Lecture-based approach was widely used to deliver codes of ethics of the audit profession. As a result, students seemed to have little concern about ethical issues and could not apply theory in the real situations. In addition, instructional resources for audit teaching in Thailand were inadequate. There was only one textbook in Thai language which was used around the country. Particularly, learning materials such as auditing case studies in Thai context were scant. Therefore, the problems of ineffective learning strategies of auditing students and the lack of instructional resources in audit teaching in Thailand challenge me. Of course, these issues also motivate me to embark on this doctoral thesis.

In this respect, this study hypothesises that educational theories, case studies, the ADDIE instructional model as well as qualitative and action research approaches can help in developing an effective learning tool for auditing students in Thailand. The developed instructional intervention will enable students to enhance their holistic attributes of good auditors in the future. Especially, ethical sensitivity of auditing students is expected to improve after the instructional intervention. It also assumes that the above elements contribute to promote deep, active, experiential and life-long learning which will be beneficial to students in their professional careers. This thesis will contribute to a new innovation for audit instruction in Thailand. It can be beneficial for audit lecturers in other countries as an example of instructional intervention development. In addition, the ideas of how to encourage ethical sensitivity of audit students can be useful among academics and practitioners in auditing.

1.2 Overview of the Study

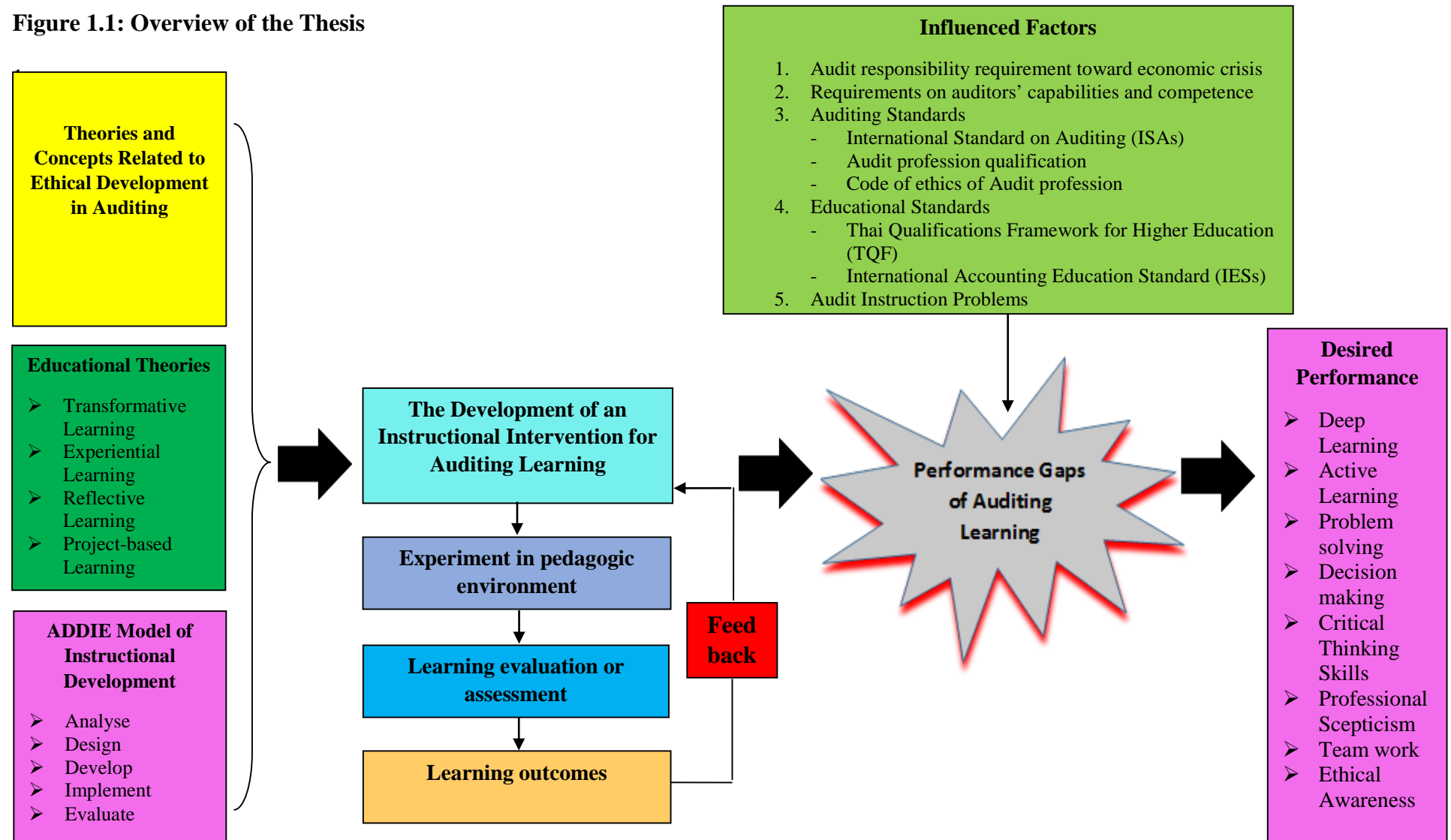
Figure 1.1 illustrates overview of this thesis. The main concepts of this study grows from the audit expectation gap which still occurs among the business society. Meanwhile, in the academic settings, audit instruction still encounters performance gap. There are important factors influencing audit instruction. First, public and society have a high expectation of auditors' duties and responsibility. As discussed in the previous section, there is a high expectation of capabilities and competence of auditors after the economic scandals. This results in an increasing number of professional and educational standards which control the audit profession and audit education such as the International Standards on Auditing, the audit profession qualification, and the code of ethics in the audit profession.

The pertinent issue is how to cultivate auditing students to reach the desired performance comprising (1) acquire the skills to enable deep and active learning, (2) gain higher professional skills such as problem-solving, decision making, critical thinking, communication and collaboration skills, and (3) enhance a sense of ethics in the audit profession. In order to mitigate problems of the audit instruction and to reach the desired performance, this thesis focuses on applying theories and concepts related to ethical development in auditing together with using four learning theories comprising Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT), and utilising the ADDIE model to develop an instructional intervention for auditing learning.

As mentioned above this study assumed that the designed instructional intervention can be an effective learning tool for auditing students. Concepts of the ADDIE model were principally employed to compose a set of case studies as a learning tool to enhance knowledge, skills, in particular, ethics of auditing students. The components of the ADDIE model are composed of five phases: analyse, design, develop, implement and evaluate. Following the five phases of the ADDIE model, this thesis investigated current problems and practice of audit instruction in Thailand in order to gain insight into actual problems in the universities around Thailand. Consequently, after the analysis of key elements for improvement, a set of case studies which is called “Reflective case studies to enhance the ethical sensitivity of auditing learners”, including other instructional instruments were designed and developed. After designing and developing a final version of the instructional resources, there was an experiment in a university setting at Naresuan University, Phitsanulok, Thailand. Eventually, all collected data was

gathered to evaluate the effectiveness of the instructional intervention. Finally, all feedback was also valuable for the development in auditing pedagogy.

Figure 1.1: Overview of the Thesis



1.3 Research Objectives and Research Questions

The objectives of this thesis are presented as follows:

RO 1: To examine current audit instructional methods in Thailand

RO 2: To explore problems of current audit instruction in practice

RO 3: To identify a performance gap of audit instruction which is required to develop in Thailand

RO 4: To design the instructional intervention to enhance holistic attributes of auditing students

RO 5: To develop (refine and validate) the instructional intervention for auditing students in Thailand

RO 6: To implement the designed instructional intervention and examine students' response to the instruction

RO 7: To evaluate effectiveness, strength and weakness of the instructional intervention

There are five main research questions of this thesis. The mainstream of research aligns with the ADDIE instructional design process. Therefore, research questions are established according to the design model as follows:

RQ1: What are current practices and problems of audit instruction in Thailand?

RQ2: To what extent is there a performance gap of audit instruction which is required to develop in Thailand?

RQ3: How should the instructional intervention be designed and developed in order to enhance holistic attributes of auditing students in Thailand?

RQ4: What are students' perceptions of learning before, during and after the implementation of the designed instructional intervention?

RQ5: How effective is the designed instructional intervention for auditing learning, and what are its strengths and weaknesses?

Each main question also has sub research questions to supply details and comprehensive response to main research questions, as shown in Table 1.1

Table 1.1: Research Questions Aligning with Process of the ADDIE Instructional Design Model

Phase	Process	Main Research Questions	Sub Research Questions	Expected information
1	Analyse	RQ1 and RQ2	<ul style="list-style-type: none"> What are current audit instruction methods in higher education in Thailand? What are problems of current audit instruction methods in practice? What are the interviewees' views on how auditing should be taught to enhance knowledge, skills and ethics in higher education? 	<ul style="list-style-type: none"> Information regarding current practice, performance gaps and the requirements to develop in Thai context
2-3	Design and Develop	RQ3	<ul style="list-style-type: none"> What are the essential elements for designing the reflective case studies What are the essential elements for developing the reflective case studies What are views from experts to refine the instructional resources for auditing learning? To what extent should they be refined and developed to enhance 	<ul style="list-style-type: none"> A design of the reflective case studies A developed case studies A developed guidance for students and lecturers Other instruments for the intervention

Phase	Process	Main Research Questions	Sub Research Questions	Expected information
			quality and validity of the instructional intervention?	
4	Implement	RQ4	<ul style="list-style-type: none"> • What are students' perspectives on the instructional intervention before the cases' implementation? • How the students response to the instructional intervention during an experiment? 	<ul style="list-style-type: none"> • Results from observation and open-ended questionnaire regarding perspectives of students towards the intervention
5	Evaluate	RQ5	<ul style="list-style-type: none"> • After the implementation of the case studies, to what extent the students reflect on how their ethical sensitivity have changed? • After the implementation of the case studies, to what extent the students reflect on how their learning strategies have changed? • What do the students give feedback on the effectiveness of the instructional intervention for auditing learning? 	<ul style="list-style-type: none"> • Instructional intervention evaluation

1.4 Structure of the Thesis

This thesis is composed of four parts (as exhibited in Table 1.2).

Table 1.2: Structure of the Thesis

PART I: INTRODUCTION	
CHAPTER ONE	INTRODUCTION

PART II: LITERATURE REVIEW			
CHAPTER TWO		THAI CONTEXT AND FACTORS INFLUENCING THE DEVELOPMENT OF AUDIT EDUCATION IN THAILAND	
CHAPTER THREE		AUDIT EDUCATION – DEMANDS FOR INSTRUCTIONAL IMPROVEMENT AND THE USE OF CASE STUDIES TO ENHANCE AUDITING LEARNING	
CHAPTER FOUR		CONCEPTUAL FRAMEWORK	
CHAPTER FIVE		RESEARCH METHODOLOGY AND METHODS	
PART III: EMPIRICAL EVIDENCE			
<u>A</u>	ANALYSE	CHAPTER SIX	<u>ADDIE</u> – ANALYSIS OF PERFORMANCE OF AUDIT INSTRUCTION IN THAILAND
<u>D</u>	DESIGN	CHAPTER SEVEN	<u>ADDIE</u> – DESIGN AND DEVELOPMENT OF THE INSTRUCTIONAL INTERVENTION FOR AUDITING LEARNING
<u>D</u>	DEVELOP		
<u>I</u>	IMPLEMENT	CHAPTER EIGHT	<u>ADDIE</u> – IMPLEMENTATION: EMPIRICAL RESULTS OF OBSERVATION AND OPEN-ENDED QUESTIONNAIRE

E	EVALUATE	CHAPTER NINE	ADDIE – EVALUATION OF IMPLEMENTATION
PART IV: DISCUSSION AND CONCLUSION			
CHAPTER TEN		DISCUSSION AND CONCLUSION	

Following the introductory chapter, Part II addresses a literature review of four related areas to resolve the research questions. Chapter two is an introduction of the Thai context. It presents an overview of Thai educational system and higher education. In particular, background of accounting and auditing education in Thailand, factors influencing the development of audit education in Thailand, current practice and problems of audit education in Thailand are highlighted. Additionally, this chapter examines factors influencing ethical development in Thailand. It draws on emerging issues and factors regarding ethical development in Thailand such as political, transparency, and corruption issues, globalisation and religion in Thailand, economic crisis and the framework of the sufficiency economy philosophy of the King of Thailand.

Chapter three examines the literature of emerging issues in audit education. Four main problems in audit instruction are investigated: (1) problems of traditional methods, (2) problems of audit students, (3) problems of ethical instruction in auditing and (4) other problems and demands for improvement. This chapter also focuses on alternative methods for audit instruction which academics apply in their teaching. A teaching

technique such as case studies is particularly examined and discussed whether it could be the probable best method for audit instruction.

Chapter four concerns with substantive theories and concepts which are employed to this thesis. It explains predominant characteristics of professionalism. In addition, it seeks to understand roles of learning theories in audit education. There are discussion and justification on the employment of four main theories: Transformative learning, Experiential learning, Reflective learning and Project-based learning theories in audit pedagogy. Moreover, this chapter studies other concepts which are relevant to ethical development of auditing students. All significant concepts are constructed as a conceptual framework to enhance knowledge, skills and ethics of auditing students.

Chapter five considers research methodology, research design and methods which underpin the paradigm of the research. In this chapter, philosophical assumptions such as ontology, epistemology and methodology of the thesis are discussed. Especially, this chapter determines a justification on applying qualitative research, action research and case study as a framework to conduct the research. The ideas are supported by Khun's (1970) research paradigm and Laughlin's (1995) Middle-range thinking. Moreover, this chapter provides information about research process and research plan. There is an introduction of the ADDIE concepts which will be embraced throughout the empirical studies of this thesis.

Part III demonstrates empirical evidence in Thailand. It complies with concepts of the ADDIE instructional design model. Chapter six follows the ADDIE-Analysis

process. This chapter draws on empirical results from semi-structured interviews conducted with auditing lecturers and students around Thailand. The empirical results of this chapter address answers for the research question 1 and 2 (RQ1 and RQ2). It seeks to analyse performance gap of audit instruction in Thai universities. The analysis and interpretation of the collected data contribute to the development of the instructional intervention for auditing learning in Thailand.

Chapter seven explains how to design and develop the instructional intervention. This chapter adheres to the ADDIE-Design and Development processes. It seeks to answer research question 3 (RQ3) of this thesis. Firstly, there is an explanation how to design the reflective case studies to close performance gap of the audit instruction in Thailand. Secondly, there is a description how to develop the instructional intervention. To this end, the processes of developing guidance for lecturers and students, including other instruments are demonstrated. At the end of this chapter, an examination of the quality of the instructional resources by academic and practitioner experts is illustrated.

Chapter eight answers research question 4 (RQ4). It reports empirical findings from observation and open-ended questionnaire which were conducted before and during the implementation of the instructional intervention. It aims to explore learning environment and students' performance. Chapter nine answers research question 4 and 5 (RQ4, RQ5). It illustrates findings after the cases' implementation. The results were gathered from the self-reflective writing of and focus group interviews with auditing students. In this chapter, examples of participants' comments exhibit great transformation of students on their learning strategies, attitudes towards auditing and positive viewpoints

on the effectiveness of the instructional intervention. The end of this chapter also considers whether the performance gap of audit instruction in Thailand was closed after the cases' implementation.

The final part of this thesis is part IV: Discussion and conclusion. It summarises significant findings and discuss interesting issues after the experiment of the instructional intervention. I concluded whether all research questions can be solved by this study. Additionally, there is a consideration on whether case studies can be an effective learning tool to enhance holistic attributes of auditing students. The combination of learning theories, application of action research and the ADDIE model are also discussed. Especially, this chapter summarises whether an integrated instruction can be an effective instructional method of auditing students in Thailand. At the end of this part, contributions of the thesis, limitations of the study and further research are also addressed.

PART II: LITERATURE REVIEW

CHAPTER TWO

THAI CONTEXT AND FACTORS INFLUENCING THE DEVELOPMENT OF AUDIT EDUCATION IN THAILAND

2.1 Introduction

This chapter presents a literature review in regard to the Thai context and factors influencing audit education in Thailand. It examines the educational system and higher education in Thailand, and explores factors influencing ethical development in Thailand. In addition, this chapter portrays the background of professional accounting and audit education in Thailand, factors influencing audit education in Thailand as well as the current practice and problems of audit education in Thailand. It concludes with a rationale for the development of audit education in Thailand, and in particular, ethics education in auditing.

2.2 Thai Educational System and Higher Education

2.2.1 Thai Educational System: History and Reforms

Thai education originated in the thirteenth century when the territory of Thailand was called “the Sukhothai Kingdom” and Thailand was known as “Siam” (Fry & Bi, 2013). At that time, traditional education evolved with the notion of religion. Buddhist epistemology greatly influenced Thai culture, society, law and other aspects. Most educated people were men who became monks studying in temples. So, Buddhist temples

were not only monasteries, but also schools where knowledge and religion were provided to men from princes to labourers (Watson, 1980, cited in Fry & Bi, 2013).

Subsequently, there were three phases of educational reform in the Thai society. The first era was from 1868 to 1910 when Thailand was dominated by King Chulalongkorn the Great. Although there was colonisation from western countries, the king had visionary strategies setting various policies to protect Thailand from colonialism. Traditional Siamese education was transformed to modernisation (Fry & Bi, 2013). Educational resources and schools were improved. For example, there was a modern-type school system in Thailand (Wyatt, 1969, cited in Fry & Bi, 2013, p. 292). Retinues and staff were trained to have English and commerce skills. Bilingual teaching was launched in high schools. Educational services were decentralised to people in rural areas (Fry & Bi, 2013).

The second phase of educational reform in Thailand was from 1973 to 1980 when Siam changed its name to Thailand. At this time, the political system was transformed into a constitutional monarchy. In this era, students became political activists. There was a violent rebellion during October 1973 and the demonstrators were killed. Before the rebellion, the Ministry of Interior (MOI) took responsibility for primary education outside Bangkok, whereas the Ministry of Education was responsible for all secondary schools and the Ministry of University Affairs was responsible for tertiary education, respectively. These administrative structures were criticised for redundancy and inefficiency (Fry & Bi, 2013, p. 295). After the political reform, there was an overhaul of the Thai educational system. The Ministry of Education (MOE) had the main

responsibility for administration of primary and secondary education of Thailand, whereas the Ministry of University Affairs (MUA) took responsibility for tertiary education throughout the country (Kirtikara, 2001). This change engendered a unity in the administration and management of education (Fry & Bi, 2013, p. 295). Nevertheless, educators still commented on integrity and equality in the educational system of Thailand. People also required more flexible and relevant curriculums. In addition, external research funding was demanded (Fry & Bi, 2013).

The third phase of Thai educational reform was from 1997 to present. In this era, Thailand was devastated by the Asian economic crisis. Due to a strategic plan to economic recovery, there was political and educational reform in 1997 (Fry & Bi, 2013, p. 296). As a result, Thailand had a new constitution which also influenced the educational system. The government legislated the National Education Act in 1999 (Kirtikara, 2001). At that time, Thai educators examined examples of educational reforms from other countries such as Australia, New Zealand, France and China. They selected the best practice which presumably could be applied to the Thai context. Finally, decentralisation, student-centred instruction and IT instruction were adopted (Fry & Bi, 2013). The following table demonstrates 15 major reforms in the third era of Thai education.

Table 2.1: Significant Elements of the Third Thai Education Reform

No.	Significant Elements
1	12 years of free education (education for all) and nine years of compulsory education
2	Establish administration unity and re-engineering structure of the Ministry of Education
3	Provide more public universities with autonomy in terms of both budget and governance.
4	Establish 175 local educational service areas which have greater curriculum, budget as well as personnel authority
5	Encourage the utilisation of local wisdom and knowledge
6	Promotion of the learner-centred and emphasise active learning and less repetitive learning

No.	Significant Elements
7	Emphasis on a holistic approach to reform in terms of entire system, school, instructors, and individual student. Students are encouraged to develop both sides of the brain, the moral and character and the body
8	Promote a network of educational innovators and support the new teaching and learning
9	Approve the system for issuing teachers licenses and transform the Teachers' Council into the Teaching Profession Council
10	Establish the Office for National Education Standards and Quality Assessment (ONESQA) ³ as a public organisation.
11	Promote innovative teacher learning and concentrate on site-based training
12	Promote student and teacher to apply greater and appropriate computer and technology
13	Emphasis on life-long learning
14	Emphasis on diversity of learning approaches and learning sources
15	Establish Office of Education Reform to foster implementation of the reform and prepare for significant legislation

(Adopted from Office of the National Education Commission (ONEC, 2002, cited in Fry & Bi, 2013, p. 296 -297))

The educational reform resulted in a new direction of Thai higher education. At present, student-centred, active learning, autonomous learning, life-long learning and holistic attributes of individual students are highlighted. In addition, new instructional innovations, and an application of technology are emphasised in the Thai educational environment. This thesis is concerned with this new trend of pedagogy. To this end, the thesis attempts to develop a new innovation to enhance holistic attributes of students promoting active, self-direct and life-long learning to auditing students in Thailand. The ideas of learner-centred, active learning, autonomous learning, life-long learning and holistic attributes will be explained in Chapter 4. The next section will describe current educational system under the National Education Act B.E. 2542 (1999) and current situation of higher education in Thailand.

³ The ONESQA contributes external evaluation of all schools (both private and public) at all levels (from pre-school to graduate programmes) in Thailand in every five years.

2.2.2 Current Educational System

The National Education Act 1999 (B.E 2542, revised in B.E 2545) determined that Thailand has three categories of education; Formal, Non-formal and Informal education⁴. Table 2.2 summarises educational levels and number of students in academic year 2013. Accordingly, Thailand had about 16.26 million students. Most Thai students (approximately 83.70% of all students) studied in the formal education system starting from basic education to higher education. Typically, there are four levels of basic education in Thailand consisting of pre-elementary, elementary, lower-secondary and upper-secondary levels whereas higher education consists of bachelor degree, vocational education and graduate degree. An individual student normally spends roughly 15 years on basic education and four years on a bachelor degree (The Ministry of Education, 2013).

Table 2.2: Levels of Education and Number of Students in Thai Educational System in Academic Year 2013

in Academic Year 2013

Levels of Education	Approximate Age (Years old)	Year of Schooling (Number of years)	Number of Students		Total
			Formal Education	Non-formal Education	
Basic Education					
1. Pre-school Education	3-6	3	1,749,196	966,462	2,715,658
2. Elementary Education	6-12	6	4,905,460	191,151	5,096,611
3. Lower-Secondary Education	12-15	3	2,391,390	622,693	3,014,083
4. Upper-Secondary Education	15-18	3	2,144,118	870,324	3,014,442
Total number of students in Basic education			11,190,164	2,650,630	13,840,794
Higher Education					
Bachelor's Degree and below	18-22	4			
Vocational Education	18-22	1-4			

⁴ Formal education means the education which sets up specific conditions such as purposes, methods, curricula, assessments and evaluations. Non-formal education is defined as the education which sets up more flexible conditions depending on students' requirements whereas Informal education means the education which allows students learning by themselves from society, environments, media and other sources (The Office of the Permanent Secretary, Ministry of Education, Thailand, 2013, p.4).

Levels of Education	Approximate Age (Years old)	Year of Schooling (Number of years)	Number of Students		Total
			Formal Education	Non-formal Education	
Special Vocational Education	18-22	1-4	2,186,822	-	2,186,822
Vocational Education for specific group	18-22	1-4			
Short-course Training Special Vocational Education, Vocational Education for specific groups	18-19	1			
Graduate Degree Level	More than 22	More than 3	229,757	-	229,757
Total number of students in Higher education			2,416,579	-	2,416,579
Grand Total			13,606,743	2,650,630	16,257,373

(Adapted from The Office of the Permanent Secretary, Ministry of Education, Thailand, 2013, p.17 and 21)

However, since the National Education Act 1999 (B.E 2542), Thai government tended to provide budget on buildings and infrastructure rather than investing in human resource. Although Thailand has adopted decentralisation, student-centred instruction and IT instruction to develop education around the country, these policies seem to be ineffective (Kirtikara, 2001, p.3). In practice, Thailand still encounters problems regarding the use of centralization, teacher-centred education and lack of new innovations as well as research and development (Kirtikara, 2001). Quality of instruction is often poor (Fry & Bi, 2013). Typically, teachers still use traditional methods. Students are taught through passive learning and memorisation. In addition, Thai instructors are less interested in conducting research and innovation. Responding to the problems, recently, Thai government has set out a vision on educational reform stating that from 2009 to 2018, “All Thai people will have access to high quality life-long learning” (The Office of the Education Council, 2009, cited in Fry & Bi, 2013, p. 290). This statement implies that trends of educational development in Thailand will be changed. In the future, quality of

teaching and learning and instructional innovation will be more focused. Also, alternative instructional methods will be promoted to students in order to nurture holistic and life-long learning. These issues explicitly affect higher education in Thailand and will be discussed in the next section.

2.2.3 Higher Education in Thailand

Higher education in Thailand is operated in formal education and is divided into two levels; undergraduate degree (and below) and graduate degree levels (see Table 2.2) (The Office of the Higher Education Commission, 2014). The higher education system of Thailand has been controlled by the Office of the Higher Education Commission since 2003 (B.E. 2546). In general, most students enter higher education at around 18 years of age. In 2013, there were around 2.42 million students who studied higher degree levels in 173 institutions throughout the country. These universities compose of 81 public universities and 92 private institutions⁵ (see Table 2.3 and 2.4). Most of Thai students tend to study higher degree level in public universities.

The number of Thai students increased from approximately 69,000 students in 1970 to 800,000 students in 1984 (Suwanwela, 2006). Recently, in 2013, there were 16.26 million students comprising 13.84 million students in basic education, 2.19 million students in Bachelor's degree level and below, and 0.23 million students in graduate degree level (see Table 2.2) out of a total number of population in Thailand of 64.79 million (The Ministry of Education, Thailand, 2013). Compared to total number of Thai

⁵ Private institutions are defined as the institutions which have funding from tuition, investments and private donations whereas public universities are academic institutions which have partly funding from state taxpayers. Compared to private institutions, public universities have larger size, lower tuition fees and greater number of students (Grove, 2016).

people around the country, there were only 3.74% of people who were studying higher degree. This can imply that Thailand still needs to produce graduates in higher degree level in order to serve labour markets and enterprises.

Table 2.3: Number of Thai Students in Higher Education in Academic Year 2013

Features	Undergraduate Degree and Below			Graduate Degree				Total
	Vocational Education	Diploma	Bachelor Degree	Graduate Diploma	Master	Higher Graduate Diploma	Doctoral Degree	
Categorised by Jurisdiction								
Ministry of Education	298,017	14,061	1,825,904	5,399	197,406	1,442	25,364	2,367,593
Other Organization	4,006	-	44,834	52	94	-	-	48,986
Grand Total	302,023	14,061	1,870,738	5,451	197,500	1,442	25,364	2,416,579
Categorised by Institutions								
Public Institutions	228,678	3,294	1,807,662					2,039,634
Private Institutions	84,112	-	292,833					376,945
Grand Total	312,790	3,294	2,100,495					2,416,579

(Adapted from The Ministry of Education, Thailand, 2013, p.23 and 34)

Table 2.4: Number of Thai Institutions in Higher Degree Level: Academic Year 2013

Categories	Number of Institutions	Total
1. Public Institutions in Higher Degree Level		
1.1 Public universities	65	81
1.2 Public autonomous universities ⁶	16	
2. Private Institutions in Higher Degree Level		
2.1 Private universities	42	92
2.2 Private institutions	10	
2.3 Private colleges	20	

⁶ Public autonomous universities are defined as universities where the Thai government allocates regular budget to them. However, in terms of administration, these universities have their own administrative systems such as financing, manpower and academic. In addition, the universities are governed by independent university councils.

Categories	Number of Institutions	Total
2.4 Community colleges	20	
Grand Total		173

(Adapted from the Office of the Higher Education Commission, Thailand, 2013)

Thus, Higher Education in Thailand still encounters chronic problems such as inequity, quality and financial problems. Population growth, political pressure and socioeconomic advancement result in dramatically increasing expansion of institutions in higher degree level (Suwanwela, 2006). In addition, the government-promoted 12-year free basic education policy for Thai people which encouraged students to entering higher degree education more than in the past. However, it appeared that 44% of higher education institutions are in the capital city, Bangkok, where quality of instruction of universities is much better than local universities (Suwanwela, 2005). The quality of instruction in local universities seems to be very low because of those universities' lack of efficient management structure, and qualified and experienced lecturers. Moreover, most universities lacked budget, instructors and learning resources (Altbach & Knight, 2007; Kirtikara, 2001). Top universities⁷ have formation, reputation and can control the quality of students whereas local universities or new universities have to absorb and operate curricula aligning with basic professional standards (Pholkeo, 2013). As a result, there was high competition in the National Entrance Examination⁸. Although the quota

⁷ "Top universities" means the top-five universities in Thailand where students acquired the highest admission scores in Accountancy programmes comprising Chulalongkorn University, Thammasat University, Kasetsart University, Chiangmai University, and Korn Kaen University, respectively (Association of University Presidents of Thailand (AUPT), 2015).

⁸ The national entrance examination has been presented in Thailand for 40 years. There are two admission systems: Quota system and Central University Admissions System (CUAS). Quota system is arranged for specific group of students such as local students, athletes, and students with special interests in arts and music. Central University Admission System (CUAS) has been launched since 2006 when the Ministry of University Affair (MUA) purposed to reform the old national entrance examination under the National Education Act (NEA) of 1999. Before 2006, a high school student, who was recruited to study in a

system for students has been established and provides more opportunities to students in rural areas, people still want to study in top universities. Moreover, it appeared that Thai students spent money on attending extra classes in tutorial institutions to pass the entrance exam rather than attending regular schooling. Also, corruption sometimes took place in the entrance examination process of Thailand (Suwanwela, 2005). For instance, Overland (2004) illustrated some scandals in the entrance examination in Thailand. She noted:

“... The charges of corruption first emerged when it was revealed that the secretary general of the Higher Education Office, Voradej Chandarasom, had opened the sealed university entrance-exam booklets before the test was given to hundreds of thousands of high-school students in early March. When the broken seals were discovered, Mr. Voradej insisted that he was checking for typographical errors and that the exam had not been leaked. Despite the protests of dozens of academic and student groups, Mr. Voradej was transferred to a new job on the Education Council, which shapes national educational policy and advises the prime minister....” (Overland, 2004, p. A42)

In response to the problems of higher education in Thailand, recently, Thai educators have concentrated on enhancement of three main aspects; academic excellence, quality of instruction and innovation (Phusavat, Ketsarapong, Ooi, & Shyu, 2012). In terms of academic excellence, the quality assurance system was established to standardise quality of higher education throughout the country. In addition, in terms of instruction,

university, had to pass only the national entrance examination. After 2006, the government determined that high school grades were calculated as one of four components of the admission scores (Werner, 2008). For example, in 2016, the admission scores in business administration, accountancy and economics programmes are composed of four components as shown below (Association of University Presidents of Thailand (AUPT), 2016):

Factors of Consideration	Weight
GPAX (Cumulative grade point average for every subject in upper secondary schooling)	20%
O-NET (Ordinary National Education Test)	30%
GAT (General Aptitude Test)	30%
PAT (Professional and Academic Aptitude Test)	20%

most universities are more focused on self-learning, direct experiences, problem solving skills and research-based learning of the students (Suwanwela, 2006). Academics in higher education have begun to shift from basic academic capabilities, which tended to absorb and apply external resources, to advanced academic capabilities which tended to produce new knowledge (Schiller & Liefner, 2008). This implies that students in higher education have to acquire holistic knowledge and enable to apply the knowledge in real practice. However, it would appear that these instruction reforms seem to be ineffective. In particular, professional education such as medicine, law and other professions also requires cooperation from professional bodies to enhance quality assurance (Suwanwela, 2005).

As discussed above, the literature evidence demonstrated that Thai higher education needs improvement, especially, holistic teaching and life-long learning approach. Thai educators should not only consider the development of instructional quality and new knowledge, but also ethics, attitudes and values of students. Especially, corruption still happens in the entrance examination process which explicitly shows the failure of ethics education. In order to strengthen the knowledge and competence of Thai students, ethics and morality should be emphasised in every curriculum in higher education level.

2.3 Accounting and Audit Education in Thailand

2.3.1 Background of Accounting and Audit Education in Thailand

The history of accounting and audit education in Thailand originated in the reign of King Chulalongkorn (1868 – 1910). Thailand struggled to evolve its society and

economy in order to avoid colonisation by the western countries. The education and government systems were reformed (Yapa & Pholkeo, 2012). Thailand encountered an enormous change when the government system became a democracy. Also, accounting and auditing education were introduced in Thailand at this time.

In 1932, accounting education in Thailand was divided into the following two levels: vocational level and higher-degree level. The first vocational accounting programme was at Kaew-fah Commercial College in Bangkok. The purpose of this initial education was to enlighten students in accounting principles emphasising proper accounting practices. The first higher-degree accounting programme was introduced by Thammasat University in 1938 as a branch in the Economics curriculum and auditing was taught as one of the core subjects. The purpose at the higher-degree level was to produce knowledgeable and systematic accountants. After this, in 1943, there was an accounting curriculum at Chulalongkorn University, which was divided into two levels comprising a three-year certificate in Accountancy and a five-year higher certificate in Accountancy. It is also noted that despite the fact that the primary accounting education was based on the British system there were in fact few people who had graduated from England and had their qualifications as Associates of the Institute of Chartered Accountants in England and Wales (ICAEW). During the 1930s, Thailand's economy grew rapidly due to the emerging capital market and this required a higher quality of accountants and auditors. In addition, Thailand had an aid agreement with the U.S. and many instructors graduated from the U.S. It was at this time that Thailand adopted American accounting practices and audit teaching seemed to be influenced more by the U.S. system than the UK system ("History of Accounting in Thailand", 2007).

Auditing has always been considered one of the core subjects in the accounting curriculum. Audit education has been extended throughout the country in the vocational colleges, technical institutions and universities under the control of the Ministry of Education (MOE). The Federation of Accounting Professions, Thailand revealed that from 2006 to 2013, there were 72 from 92 public universities and 54 from 81 private universities that taught auditing in the accounting curriculum (The Federation of Accounting Professions, Thailand, 2013; The Office of the Higher Education Commission, Thailand, 2013).

2.3.2 Factors Influencing the Development of Audit Education in Thailand

There are four main factors which have had an impact on audit education in Thailand. The first factor was the accounting professional body. In 1948, there was the establishment of the first professional accounting body, namely, the Institution of Certified Accountants and Auditors of Thailand (ICAAAT). This institution focused on setting Thai accounting and auditing standards, adapted from the International Accounting Standards and the International Standard on Auditing (ISA) (Brown & Lint, 1982). Later, in 2004, the Accounting Professions Act B.E 2547 was passed (Adkins & Radtke, 2004) and in 2005 this transformed the ICAAT from an institution into the Federation of Accounting Professions, Thailand (FAP), which had broader responsibilities for the accounting professions in Thailand.

The FAP plays a vital role in developing the accounting professions, in particular, auditing. In academic terms, the FAP promotes education, training and research in the accounting professions under the control of the Accounting Education and Technology

Committee. All the content in the accounting and auditing courses taught in the universities is approved by the FAP (see Table 2.5). For example, in July 2012, the FAP issued Announcement Number 1/2555 – the Accreditation of Bachelor Degrees and Certificates in Accountancy from educational institutes in Thailand (The Federation of Accounting Professions, Thailand, 2012). According to this announcement, accounting curricula have to comply with the International Accounting Education Standards (IESs)⁹. The FAP stipulated compulsory modules such as Fundamental and Intermediate Accounting, Advanced Accounting, Cost Accounting, Auditing and Taxation. Thus, the quality of audit education at the higher degree levels in Thailand has been improved in order to comply with these new educational standards (The Federation of Accounting Professions, Thailand, 2012).

Table 2.5: Number of Higher Degree Institutions and Accounting Curricula Accredited by the FAP from 2006 to 2013

Descriptions	Private Institutions	Public Institutions	Total
1. Number of Institutions Accredited by the FAP			
Universities	36	72	108
Colleges / Other Institutions	18	-	18
Grand Total of Institutions	54	72	126
2. Number of Accounting Curriculums Accredited by the FAP			
2.1 Diploma Degree			
Diploma in Auditing	-	1	1
Diploma in Accounting and Taxation	-	1	1
Total	-	2	2
2.2 Bachelor Degree			
Bachelor Degree in Accounting ¹⁰	130	145	275

⁹ The International Accounting Education Standards (IESs) were established and developed by an independent standard-setting body namely “the International Accounting Education Standard Board (IAESB)” of the International Federation of Accountants (IFAC). The standards were set to enhance quality of education including capability, competence and attitudes of professional accountants worldwide (International Federation of Accountants, 2016).

¹⁰ Bachelor degree in Accounting includes two-year continuous programmes, four-year programmes and international programmes.

Descriptions	Private Institutions	Public Institutions	Total
Bachelor Degree in Accounting Information System	-	1	1
Bachelor Degree in Business ¹¹ Administration (Accountancy)	49	61	110
Bachelor Degree in Business Administration (Accounting Information System)	-	1	1
Bachelor of Arts (Business administration and Accounting)	-	3	3
Bachelor of Economics and Business Administration (Accounting)	-	1	1
Bachelor of Science (Accounting)	-	1	1
Integrated Bachelor Degree (Accountancy and Business)	-	2	2
Total	179	215	394
2.3 Master Degree			
Integrated Degree (Bachelor and Master) in integrated accountancy	-	1	1
Master Degree in Accounting	-	3	3
Master of Business Administration (Accounting)	-	1	1
Total	-	5	5
Grand Total of Accounting Curriculums			401

(Adapted from the Federation of Accounting Professions, Thailand, 2013)

In terms of the audit profession, the FAP has responsibility for prescribing and accrediting the certification of auditors, who are called Certified Public Accountants (CPA) in Thailand. According to the FAP, it aims to clarify and approve qualifications for FAP membership and CPA in Thailand. There are two conditions for the FAP's accreditation. First, the accounting curriculum, which became effective in 2012, has to conform to the International Education Standard. There are now 126 institutions accredited by the FAP, comprising 72 public universities and 54 private institutions

¹¹ Bachelor degree in Business Administration (Accountancy) includes two-year continuous programmes, four-year programmes and international programmes.

throughout Thailand (see Table 2.5). Secondly, a person who has permission to register as a CPA in Thailand has to graduate at the higher degree level from the accredited institutions. In addition, from 2013 onward, he or she must pass six modules of the CPA examination (see Table 2.6), including having at least 3-year internship experience from auditing firms in Thailand (FAP, 2016).

Table 2.6: Lists of Compulsory Modules which a CPA Candidate Must Pass

No.	Modules	Significant Content
1.	Accounting 1	<ul style="list-style-type: none"> • Financial Accounting • Conceptual Framework for Financial Reporting • Current Assets • Investments • Property, Plant and Equipment • Intangible Assets • Investment Property • Exploration for and Evaluation of Mineral Resources • Impairment • Taxation • Liabilities
2.	Accounting 2	<ul style="list-style-type: none"> • Revenue • Presentation of Financial Statements • Disclosures • Cost Accounting
3.	Auditing 1	<ul style="list-style-type: none"> • Framework of Auditing • General Principles and Responsibility of Auditors • Audit Evidence • Substantive Tests • Electronic Data Processing (EDP) Audit
4.	Auditing 2	<ul style="list-style-type: none"> • Ethics in Accounting Profession • Terms of Audit Engagements • Quality Control for an Audit of Financial Statements • Consideration of Laws and Regulations in an Audit of Financial Statements • Communication with Those Charged with Governance • Communicating Deficiencies in Internal Control to Those Charged with Governance and Management • Risk Assessment • Using the Work of Internal Auditors • Conclusion of Auditing and Reporting • Engagement to Review Financial Statements • Special Considerations Audit • Assurance Engagements • Related Services

No.	Modules	Significant Content
5.	Laws and Regulations Relating to the Auditing Profession 1	<ul style="list-style-type: none"> Accounting Act, B.E. 2543 (2000) Civil and Commercial Code Book III Specific Contracts Title XXII Partnerships and Companies Public Limited Company Act, B.E. 2535 (1992) Foreign Business Act, B.E. 2542 (1999) Securities and Exchange Act, B.E. 2535 (1992)
6.	Laws and Regulations Relating to the Auditing Profession 2	<ul style="list-style-type: none"> Revenue Code Accounting Profession Act, B.E. 2547 (2004)

(The Federation of Accounting Professions, Thailand, 2016)

The FAP also has the responsibility to provide life-long knowledge and skills to audit professionals. The professional body stipulates that a CPA has to attend annual training for at least 18 hours per year. In conclusion, the FAP is the most important institution influencing audit education in Thailand due to its direct responsibility to control and accredit the qualifications of both practitioners (auditors) and of accounting degrees in higher education.

The second factor which affects the quality of audit education in Thailand is the educational standards such as the International Accounting Education Standards (IESs) and the Thai Qualifications Framework for Higher Education (TQF)¹². Thailand adopted the IESs in 2005. The IES 2, 3 and 4 generally prescribe knowledge, skills and ethics in accounting education. Accordingly, IES 2 prescribes the content of a professional accounting education. It highlights the knowledge that students should learn when pursuing their accounting degree. IES 3 is associated with the competence requirements for accounting professionals and refers to the intellectual and interpersonal skills

¹² Thailand has TQF as a qualifications framework for higher education (the Office of the Higher Education Commission, Thailand, 2006). I am assuming it is similar to the Scottish Credit and Qualifications Framework (SCQF) of Scotland (Scottish Credit and Qualifications Framework Partnerships, 2016).

accountants develop, while IES 4 is related to the professional values, ethics and attitudes of accounting students. IES 8 specifically determines the “distinguishing characteristics” of audit students. It focuses on the capabilities and competence of audit professionals. According to IES 8, students who will be audit professionals in the future not only have a responsibility to pursue audit engagement but they also need to have competency at an advanced level. The IES 8 highlights professional values, ethics and attitudes, including professional judgement¹³ in the audit profession. This means that to be a competent auditor in the future, auditing students will have to have an awareness of potential ethical dimensions and conflicts in audit engagement. In addition, they will have to find appropriate resolutions for unethical behaviour by applying the fundamental principles of the ethical codes (IES 8). Thus, Thai accounting curricula should be developed to be consistent with the International Accounting Education Standards (IESs). In particular, audit education in Thailand should be designed to nurture the ethical dimension within individual students.

As already mentioned, another educational standard which influences audit education in Thailand is the Thai Qualifications Framework for Higher Education (TQF). Thai universities implemented the TQF to develop the quality of higher education. However, at the moment, these higher degree institutions are still facing resource problems and are far from meeting the TQF requirements. For example, the research of Schiller and Liefner (2008), on academic capabilities in developing countries noted that, although Thailand had succeeded in quantitative economic development, most

¹³ Professional Judgement refers to “... using the norms and standards of the professional as a basis for accounting decision making concerning the resolution of accounting ethics dilemmas (Sullivan, 2004, p. X)”.

universities at the higher degree level were still deficient in developing effective curricula and in particular Thai universities lacked quality textbooks and instructional methods. They also claimed that research at the higher degree level in Thailand is outdated, lacks proper funding, is under resourced and does not have a good reputation (Schiller & Liefner, 2008). Auditing is carried out in Thai universities which comply with the TQF framework. Thus, it is inevitable that reform will eventually be achieved and the quality of the learning materials and methods will be improved.

The third factor is the demand for Certified Public Accountants in Thailand (Drew, 2012). It has been stated that the number of currently registered CPAs cannot keep up with the growth of registered firms (Tirasriwat & Thein, 2000). However, graduate students fail to enter the audit profession. Pholkeo (2013) noted that there had been a small number of CPA candidates who could pass the CPA exam since 2005 (Pholkeo, 2013, pp. 199 – 200)¹⁴. Due to this low pass rate in the CPA exam, Tirasriwat and Thein (2000) concluded that accounting graduates were not that interested in entering the audit profession. The motivation of students to engage with the accounting profession tends to

¹⁴ A study of Pholkeo (2013) revealed number of CPA candidates and the passing rates in the CPA examination as showed below:

Subject	Number of Candidates who passed					Enrolled Candidates	2010 Passed Number	Passing Rate
	2005	2006	2007	2008	2009			
Accounting	605	1,595	282	-	-	-	-	-
Accounting 1			32*	227	507	3,207	548	17%
Accounting 2			167*	337	662	1,874	496	26%
Auditing 1	1,360	193	434	714	248	2,705	643	24%
Auditing 2	987	479	319	518	738	2,090	438	21%
Law and	1,121	319	877	547	406	6,259	656	10%
Regulation in								
Auditing								
Profession								
Computer	610	329	891	255	835	1,899	450	24%
Auditing								

*Accounting paper is divided into two papers; Accounting 1 and Accounting 2 from 2008 onward.

Source: Adapted from Pholkeo (2013, p. 200).

decrease as a result of low pass rate in the CPA exam. As discussed above, a person who intends to be a professional auditor in Thailand has to attain a degree in accounting and align with the requirement of the FAP (Thai professional body). This is the only path available to become a professional auditor in Thailand. Graduate students tend to select other careers with higher remuneration rather than being a CPA in Thailand. Nevertheless, Thai universities should consider how to change students' attitudes toward auditing as soon as possible. Moreover, audit educators should also consider how to increase the number of registered CPAs in order to develop good governance, transparency and sustainable business of Thailand.

The fourth factor is the creation of the ASEAN Economic Community (AEC). In 2015, the Association of South-East Asian Nations (ASEAN) Economic Community was established. The aim of the AEC community is to integrate a single market and production in terms of the free flow of consumer goods, services, investments, capital and labour (Wei-yen, 2007). This requires the rapid development of social infrastructures such as education and healthcare. In addition, the reformation of higher education in Thailand is unavoidable (Phusavat *et al.*, 2012), Schwab (2009) cited in Phusavat *et al.*, 2012 noted that higher education, training and innovation are the key factors necessary for sustaining a country's long-term competitiveness. At this level, students tend to be motivated to engage in life-long learning. As a result, graduates will be better able to adapt to new technologies in a dynamic and globalized market. Moreover, they will be able to apply these skills to design and develop manufacturing and service industries (Laitmen, 2009, cited in Phusavat *et al.*, 2012). However, Thailand still faces serious weaknesses in the quality of its educational system. The different levels of income among the people and

the inadequate financial support from the government are the main problems. Despite the fact that quality assurance and university classification from the National Research University (NRU) are very important for an AEC leader, the priority of the Thai government is still to relieve poverty rather than to focus on educational improvement (Phusavat *et al.* 2012, cited in Adkins, Henderson, & Key, 2012). This can be illustrated by the rankings of the Global Competitiveness Report from the World Economic Forum of 139 participating countries. With regard to Higher Education, Thailand was ranked 49th lagging behind Singapore and Malaysia, which are members of the AEC. There remain some worries about the weakness of Thailand in global economic competitiveness unless the country proactively improve its business education (op. cit.: 286). Academics should therefore consider how to develop sustainable business and how to prepare for auditors to qualify as competent and ethical practitioners in order to have a competitive advantage among other ASEAN countries.

2.3.3 Current Practice and Problems of Audit Education in Thailand

Auditing is one part of the accounting programme designed to prepare students for the accounting profession (Landry, 1964). The main learning objective of the auditing module at the undergraduate level is to understand the concepts¹⁵ and procedures of auditing¹⁶ in general (Horsfield, 1995; Landry, 1964). In addition, students are expected to understand auditing theory and be able to explain the relationship between theory and

¹⁵ Gray and Manson (2011) contributed general concepts of auditing. Accordingly, they defined auditing as "...an investigation or a search for evidence to enable reasonable assurance to be given on the truth and fairness of financial and other information by a person or persons independent of the preparer and persons likely to gain directly from the use of the information, and the issue of a report on that information with the intention of increasing its credibility and therefore its usefulness." (Gray & Manson, 2011, p.23)

¹⁶ Auditing procedures refer to evaluating accounting systems, planning the audit, and testing accounting transactions such as assets, liabilities, owners' equity, revenues and expenses. (Cook & Winkle, 1976, pp. 283 – 371).

practice as well as to understand auditing techniques and internal control (Kanter & Pitman, 1987 cited in Horsfield, 1995). Traditionally, auditing instruction was lecture-based where students studied individually rather than working in groups or interacting with their colleagues and lecturers (Kunkel & Shafer, 1997). In general, auditing lecturers use textbooks involving how to audit balance sheet accounts and auditing transaction cycles. At present, auditing lecturers use traditional methods to teach a variety of content such as the auditor's role, professionalism, judgement, risk, ethics and regulation, practice, communication and technology (Chaffey *et al.*, 2011). The additional learning activities include practical exercises, guest speakers, computerised and manual case studies and Spreadsheet software (Frakes, 1987). However, there is some evidence that undergraduate auditing students did not fully understand contemporary auditing topics (Engle & Elam, 1985; William, 1987, cited in Frakes, 1987). They tended to learn by repetition and their learning approaches tended to be surface learning rather than deeper learning (Healy & McCutcheon, 2010). Here traditional audit instruction is blamed for such limitations. Scheiwe and Radich (1997) claimed that the traditional method of instruction involves over-teaching and is ineffective (Scheiwe & Radich, 1997). Learning in a large lecture theatre, students rarely understand teaching resources. Consequently, students are not able to create their own knowledge because this learning environment does not enable students to gain experiences (Chaffey *et al.*, 2011; Clayton, 2012; Cunningham, 2008; Jay Bonk & Stevenson Smith, 1998).

Moreover, current audit instruction is still deficient, as students appear to lack the auditing knowledge, skills and experiences that are necessary for their profession¹⁷. In

¹⁷ Gray, Manson and Crawford (2015) highlighted that the global audit profession should comply with IES8 requirements where individual auditor is equipped with specialist audit knowledge and skills, be able to

addition, audit students lack the development of ethical sensitivities such as awareness of transparency and accountability (which is discussed in the next chapter) (Pholkeo, 2013). The International Education Standard on Competence requirements for the audit profession (IES 8) prescribed skills for the audit professional consisting of gathering and evaluating applications of relevant financial reporting standards, identifying problems and solving problems, applying relevant audit standards and guidance, logical thought and critical analysis, presenting, discussing and defending views (communication skills), undertaking technical research, teamwork, professional scepticism¹⁸, professional judgement and resolving conflicts. However, it is noted that audit students are inexperienced and have problems linking audit evidence and management assertions and they cannot clearly identify the company risk. According to Brewster (2011), this leads them to have a poor performance in decision-making and in solving problems. Knechel (2000) suggested that audit students also need to enhance their judgement and critical thinking¹⁹. Consistently, the Accounting Education Change Commission (AECC) recommended critical thinking as the basis for curriculum changes (Kimmel, 1995). If audit educators add critical thinking skills to the classrooms, audit students will be better able to discriminate and make better decisions.

The situation of audit education in Thailand is similar to most countries around the world where a higher quality of education is required. Although literature specifically

work in complex and changing environments, be able to apply globalisation audit practice, accepts notions of accountability, credibility, stewardship and stakeholder interest. Also, an auditor should understand relationship between IES8 and all other IESs (Gray, Manson, & Crawford, 2015, pp. 856 -857).

¹⁸ Professional Scepticism means "...a questioning mind and a critical assessment of audit evidence (ASA 240, cited in Endrawes, 2010, p. 13)".

¹⁹ Critical thinking is defined as "...purposeful thinking in which individuals systematically and habitually impose criteria and intellectual standards upon their thought (Paul, 1995, cited in Popil, 2010, p.204)".

regarding audit education in Thailand is very limited, there are some empirical studies disclosing problems of learning strategies of Thai students. For example, Taneerat (2011) observed the behaviour of fourth-year undergraduate accounting students who were studying Advanced Accounting for leasing companies at Nakorn Si Thammarat Rajabhat University. She noted that after giving the students assignments or independent studies, there were few students who paid attention in this topic and attempted to apply the accounting concepts in practice. These students tried to understand the concepts by themselves and sometimes asked the teacher when they have questions. Whilst, others tended to copy their friends' work. When she asked the students for the reason, it was found that most students did not understand the concept of accounting for leasing companies and could not analyse and solve problems in practice. Apart from learning strategies of the students, Taneerat (2011) referred to a problem of ineffective learning materials. This motivated her to develop a new set of learning materials regarding Advanced Accounting for Leasing companies by providing richer information and encouraging students to take action on the exercises. The results showed that the students could gain higher scores from post-test after using the developed materials. In fact, Advanced Accounting education is similar to Auditing in terms of compulsory subjects in the Thai accounting curriculum. Although this research studied the problems of accounting students, this behaviour is also certainly prevalent in auditing education. In addition, Yapa and Pholkeo (2012) explored the development of Accounting Education and Accreditation in Thailand over a decade (2000-2010). According to this study, there are three main problems that affect the quality of accounting education in Thailand; these are: (1) an inadequacy of qualified teachers and materials and an outdated curriculum; (2)

pressure from the economic crisis in Asia; and (3) the requirement for English proficiency.

The integration of up-to-date knowledge and skills is also required in Thai audit education. For example, Hongsombud and Ussahawanitchakit (2011) carried out research about audit innovation, learning, and performance and the audit reputation of the CPA in Thailand. They felt that auditors required new teaching guidelines due to the changes in knowledge, abilities and public expectations and it was necessary for auditors to update audit procedures for the current situation (Hongsombud & Ussahawanitchakit, 2011). These results are similar to the findings of audit education studies in New Zealand, in which Chaffey *et al.* (2011) found that the audit curriculum tends to be restricted by a lack of resources and that undergraduate students in auditing are unlikely to have enough time to absorb all the elements of the professional content. One way to help is by providing programmes where students can integrate multiple concepts such as “risk” and “materiality” into the learning environment.

Ethics has also become a predominant issue in audit education and is required to be integrated into the classroom. After the economic crisis in 2000, Sikka, Haslam, Kyriacou, and Agirzzi (2007) argued that, even though the scandals such as Enron, WorldCom, Xerox occurred following the same pattern, there is very little consideration of the role of accounting education in terms of enhancing ethical responsibility. They claimed that there was a “poverty of accountancy education” because the students seemed to focus on rules, regulations and techniques rather than reflect on social consequences (Cooper, Leung, Dellaportas, Jackling, & Wong, 2008). Moreover, the professional

bodies also found that accounting education had failed to contribute to professional skills, sustainable knowledge and life-long learning opportunities (Sikka *et al.*, 2007).

In response to the deficiency of audit instruction, a new teaching trend has arisen concerned with enhancing the professionalism of audit students. Academics and professional bodies are trying to find the best method to solve the problems of teaching auditing skills and ethics. For example, in New Zealand, the auditing module integrates related subjects such as law, accounting, systems and ethics with subject materials in order to serve the requirements of audit professionals (Chaffey *et al.*, 2011). In the UK, there has been an increasing demand for integrating ethics into the accounting curriculum as a result of fraud cases such as those of Maxwell, Polly Peck, BCCI, Enron, WorldCom and Parmalat (Graham, 2012). In the U.S., Armstrong, Ketz and Owsen (2003) have explored ways to increase the ethical motivation of accounting students (Armstrong *et al.*, 2003). Hurtt and Thomas (2008) surveyed the opinions of accounting lecturers regarding the best method to deliver ethics in the accounting curriculum (Hurtt & Thomas, 2008). The examples from New Zealand, the UK and the U.S. highlight an importance of ethics teaching in auditing. These examples can be beneficial to the development of audit education in Thailand where corruption and transparency are still emerging issues, as discussed in Section 2.4. Although it has been argued that lecturers in the university do not have a direct responsibility to nurture ethics and morality in the classrooms and that it should rather be the responsibility of society and professional bodies, the universities nevertheless still influence the perspective of the students (Graham, 2012).

Even though there is some literature regarding accounting and audit education in Thailand, there is no explicit evidence to show exactly what the lecturers and students do in the auditing classroom and how best to enhance the students' learning. To extend this point, this thesis attempts to investigate empirical evidence in the current practice and to highlight the problems in real situations. This will be discussed later in Chapter 6. Furthermore, there is also no obvious evidence presenting the development of ethics and morality among auditing students although academics agreed that ethics is important in auditing, considering teaching ethics as their first priority task (Pholkeo, 2013). This thesis aims to contribute to the development of audit instruction in Thailand focusing on the ethical dimension with regard to auditing students. These points will be discussed in Chapter 7.

2.4 Factors Influencing Ethical Development in Thailand

This section examines the rationale for ethical development in Thailand in general and discusses why ethics and morality should be the key element for success among Thai people. Thailand, like other countries, is motivated to develop sustainable business in order to achieve a competitive advantage. However, there are some obstacles such as political, transparency and corruption issues as well as economic crises which impede the development of the country. On the other hand, there are also opportunities for development such as religion and the king's provision. The following sections will explain these factors in details.

2.4.1 Political, Transparency and Corruption: Emerging Issues in Thailand

Thailand has changed its political regime from absolute monarchy to democracy since 1932 (Suwanwela, 2005). Democracy should allow people to have legal equalities, liberties and rights, and should promote fair and free competition in business and society. Accounting can support government administration, For example, the Revenue Department uses accounting as a tool to collect tax from individuals and entrepreneurs (Pholkeo, 2013). Although Thai government promulgated the new constitution in 1997, which encouraged people rights and intellectual liberty, Thai people do not seem to have an understanding about the values of the democracy system (Changkhawnyuen, 2002). Providing liberty to people, on the other hand, can lead to exploitation and abuse of power. As a result, corruption still explicitly occurs in the Thai society (Warsta, 2004).

Transparency and corruption have emerged as problems in the literature as Quah (2003) noted for example that corruption is predominant problem in most countries around Asia. This is further supported by the Global Coalition Against Corruption who revealed that in 2013, Thailand had a Transparency International's Corruption Perceptions Index (CPI) score as 35 ranked 102th among the 175 countries around the world (The Global Coalition Against Corruption, 2013). The change to democracy introduced parliamentary election to Thais (Suwanwela, 2005). However, it appeared that the elected representatives manipulate the election by bribing (money or in kind) for votes. Due to the high competition, this can lead to physical coercion in the form of life threats and even assassination (Soontornpipit, 2002). Once elected, corruption continues with those elected representatives becoming a ruling elite collaborating with the military. Thai politicians demonstrate a lack of concern about public interest, which is made worse

because the culture of “deep-seated patronage system” (Pholkeo, 2013, p. 168), which supports the elite class, encourages them to be more greedy. Even though there has been an anti-corruption policy in Thailand, it fails in practice because the Thai government views that “corruption is acceptable and not against the public interest” (Quah, 2003, p. 253).

The People’s Constitution in 1997 allows Thai people to scrutinise government’s performance determining measures of corruption control such as code of conduct for politicians and civil servants. The lack of transparency of public administration leads to a perception that tax collection is unfair (McGee, 2006). For example, McGee (2006) examined opinions of Thai students on the ethics of tax evasion and found that Thais avoid paying tax to the government as they think in the end their money will be in the politicians’ pockets (McGee, 2006).

The literature above shows the unethical behaviour of some parts of the Thai society. The consequences of this corruption is an interruption of economy and investment, a loss in national resources, an increasing poverty, an abolition of judicial system and an undermining of legitimacy and authenticity (Quah, 2003). The repercussions directly affect the image and reputation of the country, as well as credibility and reliability in the eyes of the investors worldwide. For this reason, corporate governance, transparency and ethics are significant elements which should be taken into account to help prevent exploitation and corruption in Thailand. A possible way to resolve ethical dilemmas is cultivating ethics and moral sensitivity as well as to stress the impacts

of unethical repercussions to accounting and auditing students who will be business leaders in the future.

2.4.2 Buddhism: Radical Belief and Impacts on the Ethical Component of Thai People

Thai people have radical notions and social norms from Buddhism (Daniels, 2005). Theravāda Buddhism has reached Thailand during the 3rd century B.C. (Kusalasaya, 1983) and has influenced culture, politics, economy, society and spirituality of Thai people (Mahaphunyano, 2011). Buddha's teachings contained in the Buddhist Scriptures called "Tripitaka" are significant principles for Buddhists to practice. Buddhists in Thailand have traditional belief in theory of Karma, merit, rebirth and nirvana which are central to Buddhist doctrine (Keyes, 1977).

Karma refers to acts of human beings. Moral quality of an act lies solely in its intention where good actions are appropriately rewarded (Gombrich, 1975, p.214). On the other hand, bad deeds are suitably punished. Merit is a positive Karma. Good actions can be shared with or transferred to others. Individuals can accumulate their merits for future life, and the merits can be transferred to improve their lives in the next incarnation. Karma, which has been descended from the past lives, becomes a person's innate heritage. The virtues or sins of a former life determine birth into a particular caste (Weber, 1963, cited in Keyes, 1977, p. 286). The cycle of birth and death is eternal. At this point, the Buddha believed that human beings and creatures inevitably encounter suffering. In order

to be independent from reborn in the future, he suggested “the Four Noble Truths”²⁰ and the middle ways of living of human beings namely “Noble Eightfold Path”²¹ as practical methods to be free from sufferings and rebirth system. The ultimate state of total extinction of all passions and the ending of rebirth is called Nirvana (Gombrich, 1975, p. 215). Ethical component of Thai people are shaped by the above religious beliefs. The philosophy of Buddhism influences individuals’ behaviours, values and attitudes. Buddhists who believe in karmic theory tend to act and treat to other people in a good way.

It has been more than 2,500 years since the Buddha passed away and heritaged his doctrines for the followers, and Buddhism is still existing among Thai society. However, millennialism causes several interpretations in the Buddha teachings which sometimes result in problems among Theravāda Buddhist societies (Keyes, 1977, p.302). Buddhist monks play an important role as the Buddha’s representative who teach Buddhist doctrine to people. Their behaviours should be an ideal for the followers. Nevertheless, some monks are blamed for a cause of Buddhist crisis. They distort the Buddha’s canon in order to support their self-interest. Their teaching seems to be inappropriate. For example, monks convinced people to venerate images and dedicate to rituals (McCargo, 2004, p.

²⁰ The Four Noble Truths is composed of four elements: (1) unsatisfactoriness in life and experience, (2) the origin of suffering which craving bound up in ignorance, (3) the cessation of suffering and (4) the path leading to the cessation of suffering (Kang, 2011, p. 308).

²¹ The Noble Eightfold Path can be defined as “a way of living to escape suffering, find happiness, and develop insight leading to higher level of the path are tightly intertwined and reinforced each other.” (Johansen & Gopalakrishna, 2006, p. 339). The eight elements are composed of (1) Right understanding refers to deep reflection to investigate individuals’ motivations, (2) Right Thinking involves fostering living in the moment and understand the links between thoughts, assumptions and actions, (3) Right Speech is speaking the truth and do not speak in a manner which is harmful to other people, (4) Right Action means nonviolent and responsible actions, (5) Right Livelihood is finding the way to earn a living which does not cause suffering, (6) Right Effort involves behave with diligent disciplines, (7) Right Mindfulness is an awareness of one’s thoughts and actions as well as the effect of behaviours on other people, and (8) Right Concentration means focus on the way to wisdom and enlightenment (ibid).

156). Buddhists society in Thailand nowadays is likely to be “commercialised”. Even though monks are prohibited to handle cash, it appears that monks receive incomes from the services they offer such as blessing people, houses, cars and shops to suggesting numbers likely to win the lottery, and trading holy amulets (opcit.: p. 158). Moreover, some monks perform inappropriate behaviours. There has been numerous scandals as McCargo (2004) noted:

“...In 2000, a television station screened footage of a monk ‘dressed in a military uniform with girls on his arm, driving a luxury Mercedes-Benz and residing in a house’. In 2001, Manop Polparin of the government’s Religious Affairs Department declared that as many as one in ten Thai monks and novices were drug addicts – a problem most abbots sought to deny existed....” (McCargo, 2004, p. 158)

These events directly affect images of Buddhist monks, temples and Buddhism in general. Eventually, Buddhists in Thailand tend to decline their faith in the religion.

In addition, Folks who believe in a reservoir of merits tend to sacrifice the religion by spending a lot of money (Hanks, 1962, cited in Keyes, 1977, p. 287). Instead of practicing to be free from suffering, those people implied that the more they pay for merits, the better lives they will gain in the next world. As a result, some monks in Thailand become wealthy because people offer them luxurious things and money which are not necessary for their lives (Dhammhaso, 2016). This example also shows that some Thai Buddhists at present lack of critical consideration. The Buddhist crisis leads a worship in materials rather than practicing for Nirvana.

In general, Thai people considerably accept Buddhism as one of the most important pillars²². The religion – Buddhism– serves as “the moral tone and social force of the society” and becomes national and cultural identification of Thailand (Saksamran, 1982, p.12). Most of Thai people and rulers extol Buddhism as hierarchical organisation. Thus, leaders and rulers usually play vital roles in religious activities. They perform as good Buddhists who maintain and protect Buddhism in order to promote and support their power. Finally, Buddhism becomes a part of society’s moral and political foundation (ibid). Giving importance in religious organisation of the leaders demonstrates the notions of patronage, hierarchy and authority among Thai people. This causes corruption issues in the society (Hamra, 2002, p. 60).

Lambsdoff (2006) noted that religions which believe in causality (such as Pre-Reform Christianity, Islam, Buddhism and Hinduism) and acceptance of hierarchy contribute to corruption more than other religion which believes in generalized trust (such as Protestants) (p.17). The reason is that the hierarchical foundation has power distance. Hofstede (1997) studied a relationship between cultural values and corruption, and found that “the quest for material success dominates over concern for quality of life” and “uncertainty / unknown situations” directly correlate with the level of corruption (Hofstede, 1997, cited in Lambsdoff, 2006, p. 19). According to Lambsdoff (2006), societies that foster secular-rational attitudes toward authority tend to involve less corruption than societies that cultivate particularistic or family values (p.19). This can be linked to explain circumstances in Thailand. Moral and cultural values of Thai people are related to loyalty, hierarchy, patronage and authority. Therefore, some people believe that

²² The foundation of Thai society is based on three related pillars: the nation, religion and the monarchy (Suksamran, 1982, p. 12)

if they offer service and money to people in higher castes such as monks and rulers, they will gain higher quality of life and will be secure. This is an opportunity for elites to take advantage on poorer people. For instance, a nobleman in the past (the Ayuthaya era) was excepted to pay tax and it was assumed that they would keep part of the proceeds for themselves (Prasad, 2000, cited in Hamra, 2000, p. 60).

The declining of faith in religion of Thai Buddhists results in an ignorance of core concepts in the Buddha's philosophy (an extinguishment of suffering or Nirvana) (Dhammhaso, 2016). In tern, Buddhists imply that happiness comes from materials and money, and believe in materialism (Mahaphunyano, 2011). Faith in wealth also supports corruption (Hamra, 2000, p. 60). As discussed before, the accumulation of merits by devoting a lot of money on temples and monks can be an example of corruption in Thai society. People who make merits expect their better lives and happiness in their life to come. Similarly, people who bribe expect higher level of caste, higher quality of life as well as an acceptance among the society.

The above discussion illustrates problems of ethical beliefs and religious crisis in Thailand which require an urgent solution. Hamra (2000) argued that the main cause of corruption in Thailand is self-interest (Hamra, 2000, p. 62). Radical change in people's perspective and education can be possible ways to develop ethical aspect of Thai people (opcit.: p. 60). Prasad (2000) suggested that civil servants should be good examples for public. They should stop the notion that "bribery is not corruption because it doesn't cause anyone any trouble" (Prasad, 2000, cited in Hamra, 2002, p. 60). Moreover, people should comply with the Four Noble Truths and should be more critical when they select rulers

(Mahaphunyano, 2011). Cultivating core concepts of Buddha's teaching and encouraging ethical awareness of people, especially youth and students is an importance solution (Totam, 2008). This thesis also aims to develop ethical aspect of Thai students. It assumes that encouraging ethical awareness of students in higher degree level is possible. As discussed above, religious notions influence moral and ethical behaviours of Thai people. Thus, it is important for educators to apply these concepts to their teaching.

2.4.3 Globalisation and Religion

Globalisation causes the expansion of science and technology worldwide. This leads people to be more concerned about materialism and facilities rather than ethics and values. Thai people view that happiness depends on richness of materials and property. Thus, they struggle to become as wealthy and powerful as possible. As a result, people tend to ignore ethics and morality especially since misconduct of ethics and morality has no explicit punishments (Changkhwanyuen, 2002).

In fact, the philosophy of Buddhism is beneficial to the development of sustainable business. The main principle of Buddhism is the concept of "Four Noble Truths" which explains suffering of humankind and prescribes the ways to eliminate those suffering. Significantly, the Four Noble Truths principle suggests eight ways to reduce troubles called a "Middle Way to Enlightenment" (Prayukvong, 2005) which can apply to business administration and economy. "The Middle Way" concept guides people to depart from self-interest and satisfy only their basic needs (Daniels, 2005). Thus, Buddhist economics concerns are about the quality of life rather than maximising profits. In addition, Buddhists believe in Karma, or the theory of cause and effect (Keyes, 1977).

If entrepreneurs administer their businesses with good manners, they will be sustainable. The key factor to succeed in the business community is the process of good thinking, right perceptions and good behaviour. This is different from neoclassical economics (Prayukvong, 2005). The concept of cause and effect in Buddhism encourages analytical thinking approach and leads practitioners to obtain the right understanding about personal, society and nature. This is useful as a framework for business administrators to gain a deeper understanding in economic activity. Finally, they can deal with dilemmas and accomplish higher quality of business administration (op cit.: p. 1175). Furthermore, the concept of cause and effect can be applied in auditing process when auditors analyse financial information and take into account of the reliability of audit evidence. The cause-effect mindset also influences reflection, critical thinking and professional judgement. Consequently, this concept might help auditors to improve the audit quality.

In terms of education, ethics, morality and religion are rarely mentioned in Thai classrooms. For instance, Chankhwanyuen (2002) repeated that ethical teaching is scant in higher education, and that there are few researchers and educators in Thailand who are interested in conducting research related to ethics and morality (Changkhawanyuen, 2002). As he stated:

“As for education, which seeks to train people to be clever at attaching to the physical as scientists do and studies ethics only in name, the objective is not really to earnestly train people as does Buddhism or a training of mindfulness and wisdom. In tertiary education, in particular, it can be said that there is no teaching of conduct at all. Tertiary education aims specifically at vocational learning and tries as much as possible to dispense with subjects that do not conform with its branches of learning. ...”(Changkhwanyuen, 2002, p. 78)

An individual's religious conviction plays a vital role in their ethical development (Clark & Dawson, 1996, cited in Vitell, 2009). If an individual has a strong faith in religion, he or she tends to be less likely to behave unethically (Kennedy & Lawton, 1998, cited in Vitell, 2009). This implies that if educators underline religiosity and ethics in the classroom, it might stimulate students to enhance ethical sensitivity and judgement. The philosophy and concepts of Buddhism as mentioned above are useful for ethical development of Thais in the globalising era. In order to develop sustainable business, Thai educators should concentrate more on integrating ethics education in every subject matters apart from technical knowledge instruction.

2.4.4 Lessons from the Economic Crisis in Thailand

Thailand has learnt lessons from the financial crisis and economic recession in 1997. One of the main causes of this was ineffective corporate governance (Soontornpipit, 2002). After the economic chaos, Thai government set up National Economic and Social Development Plan to recover economic system and society. This resulted in the growth of the economy such as banking systems and infrastructures again from 2004 to 2010. However, it appeared that ethics and morality of Thai people declined. But, there is an increasing demand for promoting accountability and transparency in Thai business environment. In particular, the economic crisis led to the development of knowledge, skills and ethics of professional auditing (Pholkeo, 2013).

In fact, Thailand has more opportunity to develop sustainable business than other countries due to the subtle vision of the King. In 1974, His Majesty the King, Bhumibol Adulyadej propagated the philosophy of Sufficiency Economic which integrated

Buddhist principle of “A Middle Way” to Thai economy and business management (Mahakunajirakul, 2011). Unfortunately, at the time of the economic crisis, people had less attention to apply this concept to deal with troubles (The National Economic and Social Development Board (NESDB), 2000, cited in Mahakunajirakul, 2011).

Figure 2.1 presents the framework of the sufficiency economic philosophy. Accordingly, there are three principles comprising moderation, reasonableness and self-immunity which are mutually dependent. Moderation refers to livelihoods of people aligning with the middle path principle of Buddhism. Reasonableness is the accumulation of knowledge and experience, including analytical practice, self-awareness, being farsighted, empathy and sympathy. In addition, self-immunity enables people to protect themselves from unpredictable or uncontrolled situations by using self-control and self-discipline. The concept of sufficiency economic is added by two valuable conditions. Firstly, people must acquire knowledge, wisdom and prudence. Moreover, they have to apply knowledge to real practice. Secondly, people must engage in moral behaviour. They have to be aware of the consequences of unethical actions. In addition, they must act with integrity, honesty, patience, generosity and hard work (Mongsawad, 2010). Consequently, these elements will protect individuals, business and the country from rapid changes and uncertain situations in globalisation.

“The Middle Way”

The diagram illustrates the concept of 'The Middle Way' and its relationship to globalization. At the top, a Venn diagram shows three overlapping circles: 'Moderation' (top), 'Reasonableness' (bottom-left), and 'Self-immunity' (bottom-right). Below this, a horizontal bar is divided into two sections: 'Application of Knowledge' (Knowledge, Wisdom, Prudence) and 'Application of Moral Principles' (Honesty, Hard-working, Sharing, Tolerance). A downward arrow points from this bar to a blue bar containing 'Harmony', 'Security', and 'Sustainability' (In people's livelihoods, economic and social conditions, and the environment; in context of globalisation). Below this, a row of four colored boxes represents different impacts: 'Material Impact' (green), 'Cultural Impact' (blue), 'Social Impact' (light green), and 'Environmental Impact' (pink). Upward arrows point from the bottom row to the 'Cultural Impact' and 'Environmental Impact' boxes. The entire bottom section is labeled 'GLOBALIZATION AND ITS IMPACTS'.

After the economic crisis in 1997, the sufficiency economic philosophy has been taken into account by Thai executives. There was an establishment of the National Economic and Social Development Board (NESDB) (Mahakunajirakul, 2011). Eventually, the new paradigm stimulated people to be aware of moral and sustainable development. Explicitly, concepts of corporate governance, human well-being and environmental sustainability were promoted in Thai society. In terms of education, the philosophy of sufficiency economic was applied in basic education (Mongsawad, 2010). However, as mentioned by Changkhawanyuen (2002), educators rarely emphasise ethics

instruction in higher education. Therefore, the concept of sufficiency economic paradigm should be added to cultivate ethical awareness of students in Thai tertiary education.

The above explanations demonstrate both threats and opportunities for ethical education development in Thailand. Thai educators should take action on eliminating those obstacles and take advantage of the opportunities. Obviously, ethics and morality of Thai people should be considered as the top priority for enhancing (Numnaphol, 2014, p.270; Totam, 2008, p.2). In terms of auditing pedagogy, educators should consider cultivating the ethical awareness of auditors who play a vital role in the business society (Aroonvutthiphong, 2006, p.227 - 229). However, nurturing ethical sensitivity takes a long-time. For this reason, ethics should be taught earlier in school or university settings. Although teaching ethics might not change individual ethical behaviour, it might stimulate a sense of ethics. This approach also becomes a motivation of the present study where an instructional intervention is developed and assumed to enhance ethical aspect of Thai auditing students.

2.4.5 Characteristics and Ethical Background of Thai Educators

Educators or teachers are one of four main components in a society who influence moral cultivation²³ of individuals. Teachers play important role in transforming and reforming society. They are pioneers who foster and maintain culture, contribute public services, and act as a socialisation agent who deliver knowledge to students, including facilitate students' learning (Havinghuerst & Levine, cited in Choticpanich, 2016, p. 25). Teachers do not only have responsibility to convey theoretical content and equip their

²³ Campbell (2003) cited that there are four main components of schooling ethics: (1) academics, (2) practitioners, (3) parents, and (4) public. (Campbell, 2003, p. 26)

students with essential skills, but also promote ethics and morality to students. Students' behaviours are influenced by teachers. Thus, it is necessary for teachers to perform good behaviours in order to be good examples for their students (Campbell, 2003, p. 25).

Choticpanich (2016) noted that a good ethical teacher should have contextual knowledge, good teaching techniques and precise teaching methods as well as good moral practice and behaviours (p. 63). When educators or teachers nurture ethics to students, their teachings tend to involve informal teaching or 'hidden curriculum'. For example, teachers indirectly teach values when they select relevant ethical topics, encourage students to determine right or wrong behaviours (Narvaez & Lapsley, 2008, p. 157). Although the "right" answers depends on individuals' opinions and specific contexts, and teachers could not exactly teach ethics and morality in the same way, those who teach ethics should have ethical background and concern with their own ethics in order to guide students fair and proper ways to conduct (Kienzler, 2004, p. 299).

In Thai context, ethical background of Thai teachers is formed by religion, the King's speech (Choticpanich, 2016, p. 64-78), and ethical codes (Pilanthananond, 2007, p. 51). Most educators or teachers in Thailand are Buddhists whose moral and ethical perspectives are influenced by the Buddha's teachings. White and Taft (2004) cited that framework for teaching and learning business ethics within eastern culture is guided by the Buddha and Confucius philosophies (p. 468). These religions promote living and behaving of one's life. Acting with virtue results in quality of life. Virtue ethics is based on being, emotion, and reason where one's actions are an expression of one's virtues. The Buddha suggested that practicing empathy and sympathy, honesty, generosity and

equanimity are the right path to a moral life (ibid). In order to be free from suffering, individuals should be trained to acquire self-discipline, concentration and wisdom (Kang, 2011, p. 312).

Apart from the above religious concepts, Choticpanich (2016) cited other Buddha's teachings which are embedded in Thai teachers' morality such as Gharavasa-dhumma²⁴, Sappurisa-dhamma²⁵, and Modesty Oattappa²⁶. Gharavasa-dhumma is applied as basic of a moral example for students. Gharavasa-dhumma guides that good teachers should possess honesty and sincerity, emotional intelligence, adjustments in complex circumstances, and empathy as well as being unselfish. In addition, good teachers should adopt the concepts of Sappurisa-dhamma to practice. According to Sappurisa-dhamma, teachers should gain insight into their roles, responsibilities, and duties, including understand objectives of their daily routines. In addition, teachers should reflect on their capabilities and competence, and conduct their behaviours in a proper way. Teachers should control their way of life complying with Noble Eightfold Path and avoid self-interest. Moreover, they should concern about right timing, adjustments in

²⁴ Gharavasa-dhamma is virtue for lay people and virtues for good household life. It is composed of four virtues: (1) *Succa* refers to truth and honesty, (2) *Dama* is training oneself to control emotion, adjusting oneself to be more emotional intelligence and self-development, (3) *Khunti* refers to patience, tolerance, forbearance and perseverance and (4) *Caga* is liberality and generosity (Choticpanich, 2016, p.171; Templemap, 2016, p.1)

²⁵ Sappurisa-dhamma is related to qualities of a good man or virtues of a gentleman. It comprises seven virtues: (1) *Dharmannutta* means knowing the law and knowing the cause, (2) *Atthannuta* refers to knowing the meaning, knowing the purpose and knowing the consequence, (3) *Attannuta* is knowing oneself, (4) *Mattannuta* means moderation, knowing how to be temperate and sense of proportion, (5) *Kalannuta* is knowing the proper time, knowing how to choose and keep time, (6) *Parisannuta* refers to knowing the assembly and knowing the society, and (7) *Puggalanuta* means knowing the individual and knowing the other different people (Jayasaro, 2011, p.1).

²⁶ Modesty Oattappa or Lokapala-dhamma is virtues that protect the world comprising two virtues: Hiri and Ottappa. Hiri means conscience or moral shame, and Ottappa means moral dread (Templemap, 2016, p.1).

local culture, norms and disciplines as well as understanding difference and characteristics of individual students. Moreover, good teachers should employ concepts of Modesty Oattappa to practice. Modesty Oattappa involves the enhancement of a sense of shame within individuals. Teachers should encourage students to aware of effects of ethical misconducts and their results. Finally, students will nurture a sense of shame and avoid doing bad behaviours (Choticpanich, 2016, 170-173).

Acedemics, educators and teachers in Thailand adopted the King's speech as a right path of their living. Throughout his 70-year reign, His Majesty devoted his endeavour to develop morality and education of Thai people in both formal and non-formal ways (Makaramani & Sittilerd, 2013, p. 2084). For example, In 1981, the King suggested a concept of "Learn Wisely" which is initiatives to teaching. Accordingly, there are four areas regarding learning strategies and moral development. First, individuals should have strong intentions to seek knowledge in good faith, from proper and careful consideration, with impartiality and rationality. Second, seeking knowledge should associate with morality and self-development. Individuals should acquire academic knowledge by themselves. Simultaneously, they should enhance morality and ethics within their minds. Wise learning strategies should be composed of acquiring others' knowledge and ideas, contemplating and scrutinising the knowledge by oneself, applying the knowledge to real practice and gaining deeper understanding throughout the disciplines as well as integrating knowledge to other subjects. Third, knowledge construction has to be relatively link to real practice. At this stage, educators and learners should conduct with good integrity and good loyalty. Theoretical and practical knowledge should be applied to suit circumstances. Educators and learners should take responsibility

toward the disciplines and the public. Fourth, knowledge has to be regularly revised, allows changes and opens to new development. New knowledge should also be in accordance with social situations and environments (Makaramani and Sittilerd, 2013, p. 2084 -2085)

Ethical codes such as Professional Standards and Ethics of Teachers in Thailand, Codes of Conduct for lecturers in Thai universities and Codes of ethics in Accounting Profession are another factor influencing ethical background of accounting and auditing educators in Thailand. In 2005, the Teachers Council of Thailand issues “Regulation of the Teachers Council of Thailand on Professional Standards and Ethics”²⁷ (The Teachers Council of Thailand, 2005). This educational code of ethics has been applied as professional standards and ethics for teachers in Thailand in general. Moreover, lecturers or instructors in Thai universities have to comply with codes of conduct for academic personnel of each university²⁸. Furthermore, accounting and auditing educators in Thailand have ethical framework derived from the Code of Accounting Profession Ethics under Accounting Professions Act (2004) (B.E. 2547) (The Federation of Accounting Profession, 2004)²⁹. Those rule and regulations control behaviours of educators in accounting and auditing.

²⁷ The Professional Standards and Ethics of Thai teachers issued in 2005 refers to three main components: (1) Standards of Professional Knowledge and Experience, (2) Standards of Performance, and (3) Professional Ethics. (The Teachers Council of Thailand, 2005, p.5)

²⁸ For example, Naresuan University issued Code of Conduct for Naresuan University Personnel in 2010 (B.E. 2553), and issued the Practice Manual Based on Code of Conduct for Naresuan University Personnel in the same year as practical guidelines for lecturers and personnel in the university. The codes mentions inappropriate behaviours against the disciplines such as abandoning a duty on continuous basis without suitable reasons more than seven days, or acting which are not comply with the rules and regulations of the organisation, performing with dishonesty in discharge of one’ duty, performing with careless practice which cause serious damages to the organisation, committing criminal offenses, and misconducting against the ethical codes (Naresuan University, 2010).

²⁹ A professional accountant who has registered with the Federation of Accounting Professions of Thailand has to comply with the Code of Accounting Profession Ethics. Accordingly, there are four provisions in the ethical codes comprising “(1) Transparency, independence, integrity, and honesty, (2) Knowledge, ability,

As discussed earlier in this section, an educators should act as a role model for their students because educators' behaviours influence their students' behaviours. In fact, accounting and auditing educators in Thailand has ethical background based on religion, the King's address and the relevant ethical codes. However, the methods they deliver ethical knowledge to students seems to be inappropriate (Kienzler, 2004, p. 299). Merely deliver contextual or theoretical content of ethics to students seems to be inadequate. Aroonvutthiphong (2006) highlighted that cultivating process of accounting profession consciousness within students' minds and strengthen spirituality of accounting professionals are required to develop in Thailand (pp. 231-237). Consistently, this thesis aims to seek an appropriate way to enhance ethical awareness of auditing students in Thailand. The ideas from literature might be beneficial to develop an instructional intervention for the enhancement of ethical aspects of Thai students. This issue will be discuss in Chapter 7.

2.5 Summary

Auditing has become important to the Thai society. In particular, it has a significant role at assuring reliability and credibility of financial information of organisations in both macro and micro levels. The preparation of competent auditors can start at the higher education level. Although auditing has been taught in universities for many decades, it appears that there are many factors challenging the development of audit education such as an accreditation of Thai professional body (FAP), educational standards (IESs and TQF), a requirement of professional auditors (CPA) and a competition among

and standards of practice, (3) Liability for clients and confidentiality, and (4) Liability for shareholders, partners, persons or juristic persons for whom a professional accountant works (The Federation of Accounting Professions, 2004, pp. 12-13)"

ASEAN community (AEC). In addition, audit education still encounters problems. Quality of audit instruction seems to be poor due to superficial teaching. In addition, life-long learning, holistic learning, new innovation, quality assurance and cooperation with the professional body are required. Significantly, audit education has an urgent requirement in a revolution of instructional delivery and learning resources as well as ethics teaching. Explicitly, problems of corruption still emerge in the business environment. Therefore, it is very important to cultivate ethical sensitivity to audit students who are going to be the professionals who reduce the scandals in the near future.

CHAPTER THREE

AUDIT EDUCATION – DEMAND FOR INSTRUCTIONAL IMPROVEMENT AND THE USE OF CASE STUDIES TO ENHANCE AUDITING LEARNING

3.1 Introduction

Chapter 2, briefly reviewed the literature regarding problems of audit education. However, those problems referred more to the current situation in Thailand than contributing to the identification of any gaps in the broader audit education research. Thus, this chapter expands the literature review focusing on the details of emerging issues in this area. It aims to gain insight into the demands for instructional improvement and determines the research gaps. Moreover, this chapter attempts to find an effective teaching method to enhance knowledge, skills and ethics of auditing students. To this end, the literature related to alternative teaching methods including case studies is reviewed. Finally, there will be a discussion and justification on whether case studies can be the best way to enhance the ethical awareness of auditing students. Thus, this chapter mainly considers the emerging issues, problems of audit instruction and demands for improvement, alternative methods for audit instruction, and case studies.

3.2 Audit Education: the Emerging Issues

The economic scandals of the 2000s, such as the collapses of Enron, WorldCom, and Xerox Corporation, caused both audit practitioners and academics to be aware of professional quality and education. In response to accounting and auditing failures, some regulations regarding the quality of audit education have been established. For example, the Core Competency Framework for Entry into the Accounting Profession (CCF), issued by the American Institute of Certified Public Accountants (AICPA) in 2005, prescribed the competencies for Certified Public Accountants in the U.S. (Kaciuba, 2012). According to the CCF, the purpose of the regulations was to set policies and procedures for accounting students in order to ensure that specific requirements were fulfilled before students enter into the audit profession. Another regulation is the International Education Standard No. 8 (IES 8)³⁰, which was issued by the International Accounting Education Standards Board (IAESB) and the International Federation of Accountants (IFAC), which influences the quality of audit education. The standard prescribes competence requirements for audit professionals. It stated:

“To acquire the capabilities and competence required of audit professionals, individuals may need further education and development beyond that needed to qualify as professional accountants. ...” (The International Federation of Accountants (IFAC), 2008, p.101)

³⁰ The International Education Standard No. 8 (IES 8) is one of the International Education Standards for professional accountants which was issued by the International Accounting Education Standard Board (IAESB) in 2003. The revision project regarding the IESs has been organised since 2009. It aims to develop legibility of the standards rather than setting new IES (Sugahara & Wilson, 2013, p.215). At the moment, the continuous project is still in progress (The International Accounting Standards Board (IAESB), 2015) this thesis employed the last version on IES 8 issued in 2008.

Accordingly, the IAESB and other IFAC groups defined capabilities as the attributes of individuals which are necessary to perform their roles in auditing. The required traits consist of professional knowledge, professional skills and professional values, ethics and attitudes. Meanwhile, competence is defined by IAESB as the ability to demonstrate or perform the audit tasks in real working situations (The International Federation of Accountants (IFAC), 2008, p.5). After the economic crisis, expectations have been placed on auditors by stakeholders. Public requires a restoring of auditors' reputations. In particular, the development of ethics of auditors is highlight (AICPA, 2002b, cited in Rezaee, 2004, p. 141). In response to the auditing scandals, professional bodies established and revised auditing standards and codes of conduct. Investigating and monitoring auditors' disciplines are more focused. In addition, stock exchanges and global / local firms also require reforming of corporate reporting and auditing. Financial statements of the companies have been expected to be more accurate and reliable disclosures (Edge, 2005, pp. xiii – xx; Rezaee, 2004). An auditor does not only have the responsibility to pursue audit engagement but also needs competency at an advanced level (The International Federation of Accountants (IFAC), 2008; Weil, Oyelere, & Rainsbury, 2004).

In terms of the pedagogical aspect, employers, lecturers and students agree that audit instruction in universities could improve (Burnett, 2003; Nearon, 2002 cited in Carr and Mathews, 2004, p.93; O'Leary & Stewart, 2013). Audit educators need to strike a balance between delivering facts and cultivating skills as well as imparting ethical awareness to students (Johnson, Baird, Caster, Dilla, Earley, & Louwers, 2003 cited in Chaffey *et al.*, 2011, p. 154). Deficits in the capabilities, competence and ethical aspect

of graduate students who intend to be auditors have also been highlighted in the literature. For instance, Boyce, Williams, Kelly and Yee (2001) noted that employers require changes in professional, educational and societal aspects of accounting. University and college education programmes are faced with an uncertain future (Boyce *et al.*, 2001). Therefore, preparing competent and ethical graduate students to serve labour markets is very important to educators in the higher education level. However, overall, graduate accounting students lack generic skills such as communication skills, logical thinking, problem-solving skills, creative thinking (Weil *et al.*, 2004) and teamwork (Stanley & Marsden, 2012). Arens and Elder (2006) studied perspectives on audit education in the U.S. after the Sarbanes-Oxley Act. This Act directly challenged audit education to develop several skills, especially understanding business risks and corporate governance. Such skills are necessary for audit risk assessment and detecting fraud. Furthermore, instructors should focus on ethics and professional standards in order to eliminate fraud and audit failures (Arens & Elder, 2006). Consistently, research by Vasarhelyi, Teeter, and Krahel (2010) noted that the real-time economy has led to a need for auditors who possess enhanced skills and attitudes. In this respect, current auditing students are expected to be well prepared before they enter to the accounting profession and face new challenges. Thus, auditing educators have the unique opportunity to take a leading role and to empower modern students. Three primary attributes such as attitudes, technical competence and behaviour are emphasised. Educational media or instructional tools are incorporated into auditing curricula as a way of developing these skills (Vasarhelyi *et al.*, 2010). Chaffey *et.al* (2011) studied audit education for future professionals in New Zealand. They suggested that instructors should provide auditing concepts and focus on collaboration among teams, interaction and effective decision-making to enhance

students' practical skills. Furthermore, the instructors should actively seek to develop more ethical and critical thinking skills to allow their students to gain the greatest value from such an education.

The above literature review arrives at a conclusion of the emerging issues in audit education. There are two main points for development. Firstly, academics requires new instructional resources and teaching methods for auditing students. Secondly, academics also need to enhance knowledge, skills and ethical awareness within the students. For these reasons, attempts have been made by university educators to develop by more efficient learning environment for their students. In particular, nurturing ethical sensitivity of auditing students is emphasised more. To deal with the emerging requirements, this chapter proposes to investigate the details of problems and demands for improvement in three main aspects; knowledge, skills and ethics. Furthermore, it attempts to seek the appropriate teaching methods considering a case study as an effective instructional tool in auditing. These topics will be discussed in the following section.

3.3 Problems of Audit Instruction and Demands for Improvement

As mentioned above, the prior literature showed that new instructional materials and methods as well as knowledge, skills and ethics of auditing students are required to be developed. Thus, it is important to shed light on the problems of audit instruction in order to extract the key elements for improvement. The problems of audit instruction can be categorised into four sections: (1) Problems of traditional methods; (2) Problems of audit students; (3) Problems of ethical instruction in auditing; (4) Other problems and

demands for improvement. Each section is divided into subsections. Empirical and descriptive literature is reviewed and analysed. Finally, a summary from the literature review contributes to address the research gaps.

3.3.1 Problems of Traditional Methods

Teaching methods in accounting and finance are likely to follow more traditional methods (Monk, 2004, p. 42) where lecturers strictly adhere to theoretical content under the course syllabus. Generally, content in auditing is taught within a single course covering practical and theoretical aspects of auditing (Dennis, 2003). Most audit lecturers convey theoretical content by using various methods such as lectures, seminars, guest speakers, vignettes with explanatory interventions, watching videos, examination (Dennis, 2003; Monk, 2004; O’Leary, 2012) and textbooks (Lucas & Mladenovic, 2007). However, these instructional methods focusing on academic knowledge (McPhail, 2001) seem to encourage surface learning (Lucas, 2001) and passive learning (Dennis, 2003; O’Leary, 2012). In addition, the traditional teaching strategies lead the students to acquire fragment concepts. Students do not have experience in actual audits, working papers and audit programmes which causes difficulty in visualization of the entire auditing process (Pescow, 1963, p. 839). These problems are required to improve.

3.3.1.1 Surface Learning Versus Deep Learning Approach

The first problem of traditional instruction is that the surface learning or rote learning approach makes audit students encounter problems of understanding (Beattie, Collins & McInnes, 1997). Students cannot grasp the main concepts or principles of auditing. This results in poor performance of identifying significant issues and failure to

apply knowledge in the real practice (Carr & Mathews, 2004; Lucas, 2001). The prior studies have supported that auditing students tend to adopt surface approach to their learning. For example, Engle and Elam (1985) found that undergraduate audit students failed to understand substantial content such as statistical sampling, EDP audit and computer audit because of their dictated learning strategy (Engle & Elam, cited in Frakes, 1987 p. 99). Lucas and Miadenovic (2007) found that audit students tend to learn by repetition, roteing textbooks and technical auditing process rather than explanation. In this manner, the students attempt to memorise or reproduce learning materials. They view learning as “externally imposed” (Lucas, 2001, p.162). Additionally, empirical evidence from worldwide academic settings confirms this point. For instance, in the U.S., Frederick and Heiman-Hoffman (1994) studied structures of auditors’ knowledge of financial statement errors of audit managers, audit staff and audit students. The results indicated that audit students’ learning strategy appears to be a surface approach because students do not have experience in auditing. Thus, they cannot determine or categorise financial statement errors by both transaction cycle and audit objective (Frederick and Heiman-Hoffman, 1994). Recently, Abhayawansa and Fonseca (2010) carried out a phenomenographic study about conceptions of learning and approaches to learning of students in Sri Lanka, The results also reported that characteristics of accounting students in Sri Lanka are likely to be surface learning (Abhayawansa & Fonseca, 2010). In summary, the literature distinctly supports that auditing students have surface approach as their learning strategy.

By contrast, deep learning is more effective learning strategy. Educators expect and desire that their students should possess this approach to learning (Duff & McKinstry,

2007). Deep learning is defined as learning with understanding³¹ (Beattie *et al.*, 1997, p.1). Lucas (2001) cited that a deep learning strategy leads students gain insight into subject matters. It also encourages students to search for underlying meanings, express students' interest and obtain enjoyment from study (Lucas, 2001, p. 162). Demand for improvement of deep learning has increased in many countries such as the U.S., Canada, the UK and Australia since the 1970s. A common requirement is moving away from procedural learning (Beattie *et al.*, 1997, pp.1-2). Many educators commented on the way to equip auditing students with deep learning. For instance, Frederick and Heiman-Hoffman (1994) stated that deep learning can be cultivated within students if they have an opportunity to manage their own learning. They also noted that deeper learning can be acquired when students gain more audit experience and training (Frederick & Heiman-Hoffman, 1994, p.18). Duff and McKinstry (2007) explained deep and surface learning within the concept of the "Students' Approaches to Learning (SAL)³²" (see Table 3.1). They also provided characteristics of the learning environment associated with deep and surface approaches (see Table 3.2). According to Duff and McKinstry (2007), the SAL refers to the interaction between individual students and the learning environment. Researchers who support the SAL idea tend to consider concepts of learning and find the way to develop more effective teaching methods for students. They aim to encourage

³¹ Beattie *et al.*, 1997 noted that Craik and Lockhart (1972) were pioneers who used the terms deep and surface learning to refer the level of active cognitive processing (Beattie *et al.*, 1997, p.3).

³² Duff and McKinstry (2007) noted that there are three conceptions of SAL comprising deep approach, surface approach and strategic approach. Duff and McKinstry (2007) cited Remsden's (1979) strategic approach which refers to learning strategies such as analysing previous examinations to predict questions, applying time management and so on chosen by students in order to retain maximise grades. Accordingly, the strategic learning approach has failed to reproduce because students become less intrinsic motivation in their study. Although Duff and McKinstry (2007) mentioned this type of learning strategy, this thesis will not consider it as the main point.

positive attitudes of students towards learning. Also, researchers expect that eventually students will obtain higher level of learning outcome (Duff & McKinstry, 2007, p. 184).

Table 3.1: Conceptions of Students' Approaches to Learning (SAL)

Approaches to Learning	Conceptions
Surface Approach	<ul style="list-style-type: none"> ➤ Memorise information needed for assessments ➤ Difficulty in understanding ➤ Problems relating concepts ➤ Concern about dealing with course requirements
Deep Approach	<ul style="list-style-type: none"> ➤ Intention to understand ➤ Taking an active interest in the subject ➤ Relating and organising ideas and concepts ➤ Understanding content based on evidence and logical reasons

(Adapted from Duff & McKinstry, 2007, p.185)

Table 3.2: Characteristics of the Learning Environment Involved with Deep versus Surface approaches

Learning Environment	Learning Approaches	
	Deep Learning	Surface Learning
1. Teaching	<ul style="list-style-type: none"> ➤ Stimulating and considerate teaching ➤ The lecturer has commitment to the subject matter ➤ The lecturer has timely and sufficient feedback on progress 	<ul style="list-style-type: none"> ➤ Teaching emphasises conveying information ➤ One-way communication ➤ The lecturer has little interest in the subject matter ➤ The lecturer has poor or lack of feedback on progress
2. Curriculum	<ul style="list-style-type: none"> ➤ Clear academic expectations ➤ Quantity and level of learning materials are suitable for the course and programme 	<ul style="list-style-type: none"> ➤ Cynical or conflicting messages about rewards ➤ Over amount of material in the curriculum
3. Assessment	<ul style="list-style-type: none"> ➤ Teaching and assessment methods cultivate long-term and active learning ➤ Assessment methods encourage students to exercise judgement (e.g. take-home assignment tasks, self-assessment) 	<ul style="list-style-type: none"> ➤ Assessment methods focus on memorisation or the application of insignificant knowledge ➤ Assessment methods cause anxiety of students such as testing, excessive examination

Learning Environment	Learning Approaches	
	Deep Learning	Surface Learning
	➤ Students can select assessment activities	
4. Climate	➤ Students can select methods and content of study ➤ Students are interested in and have background of the subject matter	➤ Lack of independence in study ➤ Lack of interest and background in subject matter
5. Prior educational experience	➤ Students' learning is encouraged by previous experiences of educational settings that encourage these approaches	➤ Students' learning is encouraged by previous experiences of educational settings which encourage these approaches

(Adapted from Duff & McKinstry, 2007, p.188)

The SAL researchers neither attempt to label students as surface or deep learners nor consider students' learning styles. The philosophy of the SAL is that teachers or administrators have power to organise the learning environment. They also engage with enhancing learning outcomes of students and encouraging the students to acquire deep learning (Duff & McKinstry, 2007).

This thesis focuses on creating a learning environment to encourage deep and active learning of the students rather than considering personal learning styles. It assumes that individual learning outcomes result from his or her responses to context. A student's behaviour might change depending upon how he or she perceives the context (Lucas & Mladenovic, 2004, p. 400). Even though many academics carried out research regarding teaching methods and students' learning styles e.g. Boyce *et al.* (2001); O'Leary and Stewart (2013), students' learning styles are beyond the scope of this study.

3.3.1.2 Passive Learning Versus Active Learning Approach

The second problem of traditional instruction is passive learning which leads auditing students having poor performance in social interaction. Listening to lectures in the classroom, students do not interact with either their peers or lecturers. In addition, students lack attention to study and have less participation (Nandi; Chan, J.; Chan, C; Chan, P.; & Chan, L.P, 2000). Some students often sleep during the lecture hours or do other activities such as talking to classmates or playing games (Michel, Cater & Varela, 2009, p. 400). Consequently, students view that auditing is a boring and uninteresting subject. Moreover, they cannot retain knowledge in the long-term memory (ibid). On the other hand, academics believe that active learning is more effective because students have an opportunity to participate in the learning process (Leob, 2015, p.221). Leob (2015) noted that active learning has five advantages which are beneficial to students. First, active learning strategies such as case assignments and group works can add realism to students (Niemi, 2002). Learning activity such as case assignments provoke students to discuss and try to resolve complex issues which are closed to real situations. Secondly, active learning provides a long-term learning experience to students. For example, role-playing and guest speakers' experiences might bring a memorable learning experience to students. In this manner, students might recall and apply their knowledge when they encounter real situations. Thirdly, active learning strategies allow students to learn with group members. A group presentation, for example, does not only enhance the students' communication skills, but also allows students to determine content and apply relevant topics. Fourthly, active learning strategies might increase enjoyment and motivation to study among students. Finally, active learning advocates students to acquire more understanding of the subject matter. Engaged activity such as role-playing leads students

to develop their own concepts and set their own position on accounting issues. Also, active learning promotes self-learning which is important to students' working lives (Leob, 2015). In order to eliminate disadvantages of passive learning, academics should promote active learning. Eventually, the active learning approach can bridge the gap between theory and practice (Niemi, 2002).

Demands for Integrated Instruction

A result of the traditional instruction is that students cannot visualise the entire auditing process. Consequently, students cannot apply knowledge to real-life situations. For example, Pescow (1963) stated that auditing students have a fragmented view of the auditing process. They tend to perform audit by putting things together as like a jigsaw puzzle. Eventually, the audit process tends to be blindly following audit programmes which Pescow (1963) called "a trial-and-error procedure" (Pescow, 1963, p.839). The students' fragmented view illustrates the way of learning by repetition and reproduction. It also shows that auditing students have extrinsic motivation³³ (Li & Ma, 2012) which fails to develop deep and active learning. However, learning how to learn is as important as learning what to learn. Auditing students will become leaders of the business society. Therefore, intrinsic motivation, deep understanding and autonomous learning (Li & Ma, 2012, p. 243) are important to them in order to face complex situations in the business environment. Thus, it is necessary for students to have a proper learning strategy (Eide, Schwartz & Winter, 2004). For this reason, integrated and holistic instruction might reduce this gap.

³³ Extrinsic motivation is defined as "... the pursuit of an instrumental goal, as when a child plays baseball in order to please a parent or win a championship." (Reiss, 2012, p. 152). For auditing students, extrinsic motivation might be when they only want to pass the exam or obtain the qualification, but do not intend to develop a depth of understanding for working in the real situations.

An integrated approach to learning and teaching is associated with a multidisciplinary instruction which focuses on the transferability of skill development, knowledge application, main concepts and procedures (Carlson & Sullivan, 1999). It concerns instructional planning and assessment deriving from two or more course units. Instead of acquiring discrete knowledge, students will learn through main concepts, a project-based approach or topic-based approach and more complex teaching (The Western Australia Certificate of Education, 2008, p.1). Eventually, students will gain more enjoyment, social interaction and effective learning outcome. A holistic approach is defined as “the social process of allowing critical learners to claim ownership of the knowledge domain, its epistemology, and to make knowledge refutations or claims based on that, such that it enables action in real situations” (Patel, 2003, p.3). The advantages of integrated and holistic instruction might eliminate the problems of students’ fragmented views. In contrast, these new innovations encourage students to link their prior knowledge to deal with actual problems. An empirical work of Hallgren (2009) supported this notion. He constructed a framework of the new product development (NPD) auditing. In addition, Hallgren (2009) developed a learning innovation and conducted experiment with 75 employees from small and medium enterprises in Denmark. The results showed that the integrated or holistic intervention stimulated questioning within individuals. Further, his innovation can enhance problem-solving skills, active learning and social interaction of the participants. Apparently, the intervention influenced learning outcomes of the participants such as involvement, knowledge sharing, competence, attitude, idea management and reward and recognition. In addition, the new innovation was well-received by both managements and employees (Hallgren, 2009).

Recently, empirical evidence from Thailand also suggested that audit innovation learning such as an integrated auditing is required. Hongsombud and Ussahawanichakit (2011) conducted research with 221 CPAs in Thailand. They aimed to study the relationship between audit innovation learning, audit performance and audit reputation. The results revealed that flexible audit practice and integrative audit knowledge have positive effects on both audit performance and audit reputation. The researchers stated that the deeper level of analysis can occur when auditors have better integration of the evidence. Thus, it is important to use integrative audit knowledge as a tool from the first stage to the final stage of audit process (Hongsombud & Ussahawanichakit, 2011). Even though the researchers carried out the research in non-academic settings, the main concepts and findings of this study might contribute to an application in the university settings. In particular, the integrative audit knowledge should be introduced to students before they enter to the audit profession. Helliard, Monk, Stevenson, and Allison (2007) also reported the demand for integrated instruction in auditing. Academics in the UK support an integration of a practical element into audit classroom (Helliard *et.al*, 2007, p.139).

The literature review makes it clear that traditional instruction is not an appropriate teaching method for auditing students. The gaps for improvement here are that academics require deep and active approaches to learning as well as integrated instruction in order to develop capability and competence of auditing students. The literature also presents the demand for developing integrated or holistic instruction in audit education. In particular, prior studies in Thailand have rarely mentioned integrated

instruction in the auditing classroom. Thus, this thesis will take this opportunity to develop an intervention for audit students.

3.3.2 Problems of Audit Students

3.3.2.1 Attitude Towards the Auditing Learning

Students' perspectives on teaching and learning influence the quality of learning outcome and motivation to study. Lucas (2001) noted that students' learning outcomes often result from individual perspectives, attitudes and notions on their learning. If students merely intend to pass the exam, their learning strategy seems to be surface learning. On the other hand, if students intend to relate to their future work, their learning strategy seems to be deeper learning (Lucas, 2001). Duff and McKinstry (2007) noted that students who are likely to adopt a surface approach are faced with anxiety about course assignments and assessments (Duff & McKinstry, 2007). Similarly, Buckhaults and Fisher (2011) stated:

“Accounting seems to be viewed as a boring, pencil-pushing subject that causes anxiety for both educators and students.” (Ameen, Guffey, & Jackson, 2002; Borja, 2003, cited in Buckhaults & Fisher, 2011, p. 31)

Accounting has been conceived as a ‘too quantitative and boring’ subject which makes students have unfavourable perception in their learning (Cohen & Hanno, 1993, cited in Tan & Laswad, 2006 p. 168). Based on empirical findings of Saemann and Crooker (1999), accounting students viewed accounting as “accurate, challenging, conforming, detail-oriented, mathematical, planned, practical, repetitive and thorough” (Saemann & Crooker, 1999, p. 11). In particular, the content of auditing is acknowledged as “a dry, number-crunching discipline that can be mastered only by memorizing a myriad

of rules” (Campbell & Lewis, 1991 p.278 cited in Dennis, 2003, p. 418). Thus, students might not enjoy the process of learning auditing and have less motivation to study. These negative attitudes towards audit instruction also result in the decline of students’ learning effectiveness (Dennis, 2003; Tan & Laswad, 2006). However, the reason of accounting students for taking this degree is that they concern about job opportunities and employment because a graduate accounting student will receive higher initial salaries than other business students (Anderson, 1988, cited in Allen, 2004, p. 237 - 238).

The negative attitude towards accounting subjects also affects the recruitment in accounting profession. There have been some reports in literature demonstrating that graduate accounting students who are entering the accounting professions have declined in both quantity and quality. This concern has arisen among accounting professionals in Canada, the UK and the U.S. (Tan & Laswad, 2006). One of the main factors which affects the decline in number of qualified graduate students is aptitude and interest in accounting subjects. Inman, Wenzler and Wickert (1989) found that uninteresting courseworks and rote learning discourages accounting students (Inman *et al.*, 1989, cited in Tan & Laswad, 2006, p. 168). Saeman and Crooker’s (1999) study indicated that students are likely to choose accounting as their major subject when they conceive that accounting is enjoyable and interesting. Accordingly, the main reason of the students who transferred out of accounting majors is that they had negative attitudes towards heavy coursework and teaching assistants (Saeman & Crooker, 1999). Thus, it would seem that current teaching methods in accounting and auditing are not appropriate and still need improvement.

3.3.2.2 Poor Background in Auditing and Accounting

Auditing students in Accountancy programmes are likely to have poor background in auditing and accounting, illustrated by the poor CPA pass rates (Allen & Woodland, 2006). Allen and Woodland (2006) suggested that the CPA exam pass rates is an important measurement to gauge achievement of accounting programmes. In addition, the pass rates can indicate the resources which educators utilised to support their students in order to prepare them to be professionals in the future (Allen & Woodland, 2006, cited in Clayton, 2012, p.8). As mentioned in Chapter 2, there is a low pass rate of CPA examinations in Thailand (see Footnote 14). For example, Pholkeo (2013) noted that in 2010, there were less than 50% of all candidates in each subject who could satisfactorily pass the exam (Pholkeo, 2013, p.200). He explained that the accounting graduates from local universities in Thailand have poor academic background. They have insufficient knowledge, professional experience (op cit.: p. 199), and lack systematical thinking and English language skills (op cit.: p. 226). Again, the main reason is that the current learning strategy of students is not appropriate. Poor academic background of students results from a lack of in-depth understanding and application of knowledge to practice. Audit instruction has been the subject of complaints from educators and students for many decades as it faces difficulty in closing the gap between theory and practice. For example, Bacas (1939) has stated:

“It is essential that instruction in auditing include not only the application of the principles to a certain transaction but the application of the principles to the same type of transaction under varying conditions and circumstances....It is meant to stress that the course in auditing is not one in which the good work of the student should depend on the fact that he remembers all that he has read or heard. The application of the principles varies to such an extent that if the students attempts to make an application in the exact form in which he has obtained it, because he works from

memory, the result is likely to be unsatisfactory.” (Bacas, 1939, pp. 263-264)

In addition, research findings of Helliard *et al.* (2007) reported that neither audit academics nor practitioners in the UK believed that university-based audit instruction is sufficient to teach students to become auditors. A possible resolution for this problem is that auditing students should be equipped with richer experience rather than academic content. Helliard, Monk and Stevenson’s (2009) follow up paper stated that learning within individual auditors occurs through instruction and actual audit experience (p. 185). For this reason, the concepts of active learning and experiential learning are often employed to produce a case study for auditing students. Academics believe that using case studies is an effective way to bridge the gaps between theory and practice in auditing (Weil *et al.*, 2004). The advantages of case studies will be explained in Section 3.5.

3.3.2.3 Demands for Professional Skills Improvement

The literature has also shown that there are demands for professional skills improvement within auditing students. For instance, Crawford, Helliard, Monk, and Stevenson (2011) examined generic skills in audit education in the UK. Accordingly, there are 16 important skills which are desirable for students and practitioners³⁴. The researchers stated that analytical skills, presentation skills and written communication skills were the most important skills from the practitioners’ view. While, in terms of academics’ view, analytical skills, oral and written communication were the most

³⁴ Research by Crawford *et al.* (2011) referred to 16 generic skills which are important for audit students and practitioners comprising analytical skills, presentation skills, written communication skills, basic computer skills, information collecting skills, problem-solving skills, planning skills, critical reasoning, oral communication, time management, self-study / research skills, teamwork, numeracy, lateral thinking, listening skills and persistence (p. 123).

significant skills that students should acquire in the university (Crawford *et al.*, 2011, p.129). The Accounting Education Change Commission (AECC) (1990) recommended critical thinking as a basis for curriculum changes (AECC, 1990). If audit educators are able to add critical thinking skills to knowledge acquisition in auditing, auditors will then be able to discriminate and make decisions more precisely. They will not only be able to apply accounting or auditing principles but they will also be able to resolve uncertainties and understand risk assessment as well as audit manifestation. To develop these qualities, new students will have to be taught such skills as critical contemplation, information exploration, relationship with teamwork and decision-making. In addition, Jenkins (1998) pointed out that in the future critical thinking should be recommended more in business schools to develop the ability of accountants to solve problems which are nondeterministic, to uncover mistakes and irregularities and to make judgments (Jenkins, 1998). Moreover, Knechel (2000) studied the impact of behavioural research on auditing. According to his research, the understanding of risk issues, controls, performance measurement and audit evidence has to evolve. Graduate students also need to develop skills such as researching information, collaboration, communication and decision-making (Knechel, 2000).

Houck (2003) commented from the practitioner's perspective. In his book - "Why and how audits must change: practical guidance to improve your audits", he argued that auditors rely too much on detailed procedures such as confirming, vouching and recalculating. These activities not only lead auditors to waste time but also promote "unthinking" and "mechanical routines". He emphasised the need for critical thinking skills and professional scepticism when conducting risk-based audits. He also noted that

it is worse when auditors cannot apply these skills when detecting fraud such as backdating invoices, changing shipping dates and creating totally false records because they cannot identify misstatements. Moreover, one key problem is the auditors' lack of an analytical technique, which is a necessary and powerful competence. This technique affects the sample selection and substantive tests. If the auditors cannot properly apply such an analytical skill, the audit performance and quality will be poor and inefficient (Houck, 2003).

Recently, Brewster (2011) investigated how system perspectives develop knowledge acquisition and analytical performance. According to his work, the sense of judgment is in the working memory, which in itself can be enhanced through problem-solving and the decision-making performance can also thus be increased. The research findings also mentioned that individuals can learn through completing complex tasks. Auditors should therefore construct a sufficiently detailed and accurate mental model of how a client interacts within the business environment. He also claimed that from a practical perspective, inexperienced auditors faced problems of linkage between audit evidence and management assertions (Brewster, 2011). The reason is that auditors have difficulties since they do not have the ability to construct precise and sufficiently elaborate mental models to explain the economic environment. In addition, there are prior empirical studies which have demonstrated that auditors, as decision-makers, are faced with understanding and learning from complex business environments (Bell, Peecher, & Solomon, 2002, 2005 cited in Brewster, 2011, p. 916).

In conclude, the capabilities and competences of audit students still need to be developed. There is still a gap between the academic world and practice in the real world. One of the crucial problems in audit education is that audit teaching runs parallel to audit practice. Educators do not deliver the knowledge and skills related to real-life application. The consequences to appear are negative attitudes of students towards auditing subjects and the profession, students' poor learning outcome and the limitation of professional skills development within individual students. Thus, audit educator should consider to mitigate these deficiencies and improve their teaching to approach the real practice.

3.3.3 Problems of Ethical Instruction in Auditing

The failure of the economy and accountancy professions worldwide stimulates an increasing awareness of ethics among both practitioners and educators (Apostolou, Hassell, Rebele, & Watson, 2010). There has been a challenge to develop the ethical capacity of auditing students. Even though it is noted that auditing and ethics are the most significant elements required to develop in accounting (O'Leary, 2012; Uyar & Gungormus, 2011), there has been an emerging debate upon ethics teaching. Academics have raised a question whether ethics can be taught (Ryan & Bisson, 2011). On one hand, they do not believe that ethics instruction could be pursued in accounting. For example, Ajzen (1985) stated that ethical education does not always change individual's behaviour (Ajzen, 1985 cited in O'Leary & Stewart, 2013, p. 226). Cragg (1997) viewed that ethics cannot be taught (Cragg, 1997, cited in Ryan & Bisson, 2011, p.45) and the study of Bishop (1992) summarised that there has been rules or codes of professional ethics, so it is not necessary for academics to teach ethics (Bishop, 1992, cited in Ryan & Bisson, 2011, p. 45). Others believe that teaching ethics in accounting and auditing is possible.

For example, Helliard and Bebbington (2004) indicated that ethics instruction in higher education influences perspectives of accountants. The empirical evidence from their study also demonstrated that accounting educators viewed that ethical instruction is important in both academic and working lives of students. Thus, ethics education in school or universities is the main key of success (Helliard & Bebbington, 2004, pp.70-72). Blanthorne, Kovar and Fisher (2007) conducted survey research about accounting educators' opinions regarding ethical instruction. A majority of respondents (97%) favoured integrated ethics within the auditing module (Blanthorne *et.al*, 2007). Even though there has been some literature arguing for and against ethics teaching in accounting, the amount of existing research with regards to ethics instruction in accounting is increasing (Apostolou *et al.*, 2010). This thesis also agrees that ethics can be taught to audit students before they enter their working lives; moreover, that it should be taught.

Another issue is that if ethics instruction is possible, what would be the most appropriate method to deliver ethics understanding to audit students. Even though ethical instruction in accounting has been emphasised in the university environment, academics are still searching for the best practice of teaching strategies (Chaffey *et al.*, 2011; O'Leary & Stewart, 2013). The way educators convey ethics in auditing seems to be ineffective (Cooper, Leuang, Dellaportas, Jackling, & Wong, 2008; Graham, 2012). Lecturers often employ traditional teaching methods which focus on academic knowledge about ethics (McPhail, 2001) and adhere to rules and regulations of the codes of ethics (Cameron & O'Leary, 2015). In addition, ethics materials seem to be inadequate. For example, Armitage and Poyzer (2010) noted that the current situation tends to be worse because

the lecturers neglect ethical teaching in the auditing classroom though it is necessary in practice (Armitage & Poyzer, 2010). Similarly, Tweedie, Dyball, Hazelton, and Wright (2013) cited that the mainstream accounting curriculum neither contained ethical theories nor contemporary ethical thought in teaching (Tweedie *et al.*, 2013, p.1). The reason might be because there is a limitation in numbers of learning resources as Blanthorne *et.al*, 2007 stated that audit educators are faced with the limitation of instructional resources such as time, staff qualification and space in the curriculum (Blanthorne *et.al*, 2007, p. 385). Especially, ethics resources in accounting education lack in depth and diversity. The research evidence of Tweedie *et al.* (2013) demonstrated this problem in Australia. They suggested that learning and teaching strategies should be developed to meet the IFAC's requirements (Tweedie *et al.*, 2013, p.12).

Responding to the above issues, educators have put effort into finding new methods to develop ethical awareness of their students. The literature has documented that the new fashion of ethics teaching in the post-Enron era tends to stress on ethical sensitivities, moral reasoning and moral judgement of students (Bean & Bernardi, 2007 cited in Kilmek & Wenell, 2011, p.109). McPhail (1999) argued that ethics educators should not merely provide students with a set of rules. Rather, they should encourage individual students to become aware of ethics and morality (McPhail, 1999). Proliferous literature has been noted on this issue. For example, Ballantine and Larres (2004) studied the impact of ethical orientation on auditing students' judgments. They indicated that ethics should be emphasized in auditing education because it makes a great contribution to society. Auditors should be equipped with decision-making skills, judgement and morality (Ballantine & Larres, 2004). In order to stimulate the sense of ethics, accounting

lecturers in developed countries such as the U.S, the UK and Japan integrated ethics into the auditing classroom (Apostolou *et al.*, 2013). Ethical scenarios and fraudulent issues from accounting and auditing scandals as well as relevant reports were raised to discuss (Cameron & O’Leary, 2015). Significantly, academics tend to present ethical dilemmas in case study format and deliver this resource in the classroom. For example, in the UK, cases of Maxwell, Polly Peck, BCCI, Enron and WorldCom were used as case studies and students were asked their views on how to prevent such scandals in the future. Also, important reports regarding economic failures such as Cadbury Report 1992, Greenbury Report 1995, Hampel Report 1998 were discussed in accounting classes. While, the Sarbanes Oxley Act 2002 was discussed in the U.S. classrooms (Apostolou, Dull, & Schleifer, 2013). In this manner, academics assume that these methods might be the best practice for enhancing ethical aspect of auditing students.

As mentioned earlier there is the demand for ethical instruction in auditing in Thailand and it becomes more serious due to the political, transparency, corruption issues among Thai people (see Section 2.4 of Chapter 2). In particular, the development of instructional tools regarding ethics in auditing in Thailand is very scant. This thesis attempts to solve this problem. The literature review contributes to the ideas of integrating ethics into auditing courses. In addition, a possible effective teaching method is a set of case studies which provide actual experience regarding ethical dilemmas. Using ethical cases, students will have an opportunity to identify ethical issues, reflect on consequences and take actions on ethical resolutions. The cases also enhance decision making and ethical judgement of students. Advantages of case studies in ethics instruction will be discussed in Section 3.5.

3.3.4 Other Problems and Demands for Improvement

There is some literature showing other problems of audit instruction. For instance, Borja (2003) noted that accounting educators in the universities lack experience in accounting (Borja, 2003 cited in Buckhaults & Fisher, 2011, p.31). In addition, there is a serious problem of lack of effective instructional resources in accounting and auditing. For example, Quinn (2004) stated that developing and emerging countries faced a shortage of instructional resources and infrastructure due to economic conditions (Quinn, 2004 cited in Sugahara & Wilson, 2013 p. 228). Similarly, Adler and Milne (1997) cited that accounting educators still apply traditional teaching methods rather than action-oriented and student-centred approaches because of time constraints, a lack of sufficient learning resources and staff training (p.192). In particular, audit educators encounter difficulty in selecting and organising materials within the short period of the curriculum (Davies, 1935). This situation implies that there should be a recruitment of qualified lecturers and development of optimal instructional tools in audit education. This thesis focuses on the development of individual auditing students. It might use the example of educators who aim to solve problems of learning strategy and students' attributes such as knowledge, skills and ethics. However, problems of infrastructures and audit lecturers are beyond the scope of this study.

3.4 Alternative Methods for Audit Instruction

The traditional teaching methods have been blamed for decades as an inappropriate approach to learning (Bacas, 1939; Pescow, 1963). Due to increasing demands in the business society and the academic world, educators try hard to contribute more productive experience for students (Michel *et al.*, 2009, p. 397). Therefore, a variety

of non-traditional methods have been devised and developed by accounting educators as alternatives to enhance capability, competence and ethics of auditing students. Those methods also promote deep learning and active learning strategies (Drake, 1999) to students. There are various types of instructional materials such as video simulation (Seigel, Omer & Agrawal, 1997), computer-based learning (Drake & Nigrini, 2000; Horsfield, 1995; Michelman, Gorman & Trompeter, 2011), role playing (Crumbly, Smith & Smith, 1998; Wongpinunwatana, 2013), groups or teams learning activities, internships and case studies (Cohen, Krishnamoorthy & Wright, 2008; Drake, 1999; Keim & Grant, 2003; Lovata, Reed & Costigan, 2000). Moreover, Apostolou *et al.* (2010) reviewed accounting literature over 2006 to 2009 citing that cooperative learning, communications skill development and mentoring were mentioned as interesting topics of accounting faculty at present (Apostolou *et al.*, 2010, p. 146). In terms of teaching ethics in accounting and auditing, it has been documented that academics utilise multiple activities to convey real-life experiences to students e.g. role playing, analysing cases and guest speakers (Leab, 2015, p. 223). The examples of evidence regarding alternative methods for audit instruction is summarised in the tables below:

Table 3.3: Summary of Example Evidence Regarding Alternative Methods for Audit Instruction

Methods	Authors	Focus on developing ³⁵			Dominant features of the selected paper
		K	S	E	
1. Video Simulation	Siegel <i>et al.</i> (1997)		✓		<ul style="list-style-type: none"> Attempted to resolve the problem of weak concrete experience of audit students experimental research by using a set of video simulation

³⁵ K = Knowledge
S = Skills
E = Ethics

Methods	Authors	Focus on developing 35			Dominant features of the selected paper
		K	S	E	
2. Computer-based learning	Davies (2000)	✓	✓		<ul style="list-style-type: none"> Internal controls, analytical review and computer skills were highlighted
	Crawford <i>et al.</i> , (2011)	✓	✓		<ul style="list-style-type: none"> Promoted transferable skills to students. Aimed to narrow the gap between theory and practice. Thus, educational theories such as experiential learning, constructivism and information processing theories were employed as a theoretical framework A set of web pages called SCAM in order to deliver real-life cases to students. Students were trained to interact with learning environment and work in groups.
3. Role playing	Crumbly <i>et al.</i> (1998)	✓	✓	✓	<ul style="list-style-type: none"> Employed educational novels and role-playing activities to induce students' enthusiasm. Aimed to expand auditing knowledge, enhance attitude of students towards accounting, promote ethical issues and enhance professional skills such as communication skills, transferable skills and teamwork skills. intervention.
	Wongpinunwatana (2013)	✓	✓		<ul style="list-style-type: none"> Purposed to convey an auditing knowledge regarding information systems control to students The researchers developed an audit case study and video assuming that the developed tool could enhance knowledge, actual performance and enjoyment of students The case study was implemented through a role-playing game activity
4. Groups or teams learning activities	Kunkel & Shafer (1997)	✓	✓		<ul style="list-style-type: none"> Concentrated on collaborative/ cooperative learning Group assignments were used with the experimental group of students Students who were in the group learning approach had poor performance than individual learning

Methods	Authors	Focus on developing 35			Dominant features of the selected paper
		K	S	E	
	Walker, Elson, and O'Callaghan (2012)	✓	✓		<ul style="list-style-type: none"> A project was assigned to students to pursue a team presentation Videotape was recorded during the presentation and showed in the classroom on the presentation day
5. Internships	Dombrowski, Smith, and Wood (2013)	✓	✓		<ul style="list-style-type: none"> The Auditing Internship Programme was established and provided experiential learning to students at Salisbury University in the U.S. Students were encouraged to work in groups acting as the professional staff in not-for-profit organisations. The result showed that the SU Auditing Internship programme had strong support from CPA companies. In addition, recruiters had positive comments with educators about favourable impression that students gain rich internship experiences.
6. Case studies	Baldwin-Morgan (1995)	✓	✓		<ul style="list-style-type: none"> Integrated artificial intelligence / expert systems into auditing course
	Fink (1998)	✓	✓		<ul style="list-style-type: none"> Combined the concepts of information technology and the General System Theory to construct a case study
	Brown & Tsakumis (2007)	✓	✓		<ul style="list-style-type: none"> Focused on understanding business entity and the risk of material misstatement and analytical skills Integrated information technology and real-world environment into study
	Mo (2011)	✓	✓		<ul style="list-style-type: none"> Blackboard Vista was used as a case study to enhance learning process of auditing students Students had high motivations and better learning outcome in the auditing course after using the Blackboard Vista
	Bagley & Harp (2012)	✓	✓		<ul style="list-style-type: none"> A case called "Shoe Zoo Inc. was developed to aid students understanding audit process of Property, Plant and Equipment and depreciation expense account

Methods	Authors	Focus on developing 35			Dominant features of the selected paper
		K	S	E	
					<ul style="list-style-type: none"> Students were assigned to complete auditing tasks by documenting electronic audit working papers. The results showed that audit students gained appropriate auditing skills at the beginning of graduate-level audit and assurance class
	Sanchez, Agoglia, and Brown (2012)	✓	✓		<ul style="list-style-type: none"> An Interactive Professional Learning Experience (IPLE) was designed as a pedagogical tool for auditing students The IPLE provided a realistic practice environment in the classroom where students had an opportunity to participate in the IPLE The results showed that students were able to improve professional knowledge and skills. Both students and professionals had positive views on the IPLE's learning experience
	Tweedie <i>et al.</i> (2013)	✓	✓	✓	<ul style="list-style-type: none"> A set of discursive themes which is called "Thematic" approach to ethics teaching was introduced to students. The integrated teaching encouraged students to deal with less detailed than in the textbooks. On the other hand, students were more likely to reflect on ethical issues. The result showed that students preferred the thematic learning strategy. Also, this instructional strategy met the objectives of the IES4 where students are required to operate practical constraints in higher education settings.

At present, there is an increasing amount of research regarding case studies in education. This implies that audit educators tend to employ case studies in auditing classroom more than in the past (see Table 3.3). Remarkably, there are some overlaps in terminologies of case studies and other teaching methods. The possible reason is that the

definition of a case study has broad and diverse meanings. Thus, academics sometimes call their teaching methods “case studies”. For example, Fink (1998), Davies (2000), and Mo (2011) defined computer-based learning as a case study for students. In other words, the case studies method can be an overall picture of the learning environment where educators are allowed to employ various types of media or materials. Multiple learning resources bring rich experiences to students. This might be the reason why using case studies has become more popular in accounting pedagogy.

3.5 Case Studies: A Method for Audit Instruction

Case studies are a pedagogical technique which are adopted in many professions including accounting. Academics believe that case studies support knowledge and certain thinking skills (Weil *et al.*, 2004). Professions such as law, medicine, nursing and engineering have applied cases to enhance competence of students. Particularly, academics believe that a case study can be utilised to enhance ethical sensitivities of students (McPhail, 2001). They generally develop cases based on real experience of practitioners. For example, in law education, Menkel-Meadow (2000) adopted legal cases from appellate case reports to teach in the classroom. In terms of teaching, lecturers convey case studies through story telling. The actual experience of actors such as lawyers, clients, parties, judges, clerks, victims and law enforcers was portrayed. Students were encouraged to describe their understanding of situations, discuss alternative solutions and eliminate ambiguous solutions. Eventually, students can identify the legal ethical behaviour (Menkel-Meadow, 2000). Similarly, in health sciences education, educators develop case studies from actual experience in clinical settings. Collaborating between cases and experiences can bring students to gain a higher level of critical thinking skills

(Youngblood & Beitz, 2001 cited in Popil, 2011). In medical education, educators heavily stressed case-centred method in their teaching. Real patients and real issues are promoted to students rather than hypothetical cases. Medical educators highlight feelings and emotions of doctors towards their patients (McPhail, 2001). A specific technique called “Vignette” is also broadly applied in medical teaching (Nendaz, Raetzo, Junod, & Vu, 2000). In engineering education, case studies are also utilised to enhance the sense of ethics. However, the educators seem to integrate project-based and community-based or service approach to ethics instruction. In this respect, students are assigned to undertake projects such as designing a wheelchair for disabled people. They have an opportunity to reflect on ethical, social, cultural and professional dimensions of their work through discussion and writing reports. Engineering students learn from scrutinising ethical issues and contributions they provide to community and society. Consequently, students can acquire both deep learning and ethical sensitivity (Colby & Sullivan, 2008). The earlier examples demonstrate the achievements of using case studies from several professions. Even though, the case study method has become important in recent decades, in the area of accounting and auditing education, there is a persistent call for effective case studies in education (Healy & McCutcheon, 2010). The performance gap in professional knowledge, skills and ethics of auditing students inspires me to conduct this thesis. The success of using case studies in ethics teaching in other professions also becomes a good guidance for undertaking this thesis. The next sections will provide an explanation of the definition of case studies. Then, there will be a discussion on why case studies should be employed in audit education. The next section will also explain limitations of case studies and will provide summary of this chapter.

3.5.1 Definition of a Case Study in Education

Academics have provided several definitions of a case study as presented below:

Table 3.4: Examples of the Definitions of a Case Study in Education

Year	Names of educators	Definition
1953	Paul R. Lawrences	<i>“A good case is the vehicle by which a chunk of reality is brought into the classroom to be worked over by the class and the instructor. A good case keeps the class discussion grounded upon some of the stubborn facts that must be faced in real life situations. It is the anchor on academic flights of speculation. It is the record of complex situations that must be literally pulled apart and put together again before the situations can be understood. It is the target for the expression of attitudes or ways of thinking brought into the classroom.”</i> (Lawrence, 1953, p.215, cited in Erskine, Leenders, & Mauffette-Leenders, 1981, p.11)
1954	Andrew R. Towl	<i>“It is useful to think of a case as a connecting link which draws together the experience of the executive on the job, the executives (and potential executives) in management development programs, and the researcher in his (or her) efforts to understand the process of management. The written cases are catalysts to speed the process of learning from experience.”</i> (Towl, 1954, p. 293 cited in Erskine et al., 1981, pp.10-11)”
1954	Charles I. Gragg	<i>“A case typically is a record of a business issue which actually has been faced by business executives, together with surrounding facts, opinions, and prejudices upon which executive decisions have to depend. These real and particularized cases are presented to students for considered analysis, open discussion, and final decision as to the type of action which should be taken.”</i> (Gragg, 1954, p.6, cited in Erskine et al.,1981, p. 10)
1981	Erskine, Leenders and Mauffette-Leenders	<i>“Simply stated, a case is a description of an actual administrative situation, commonly involving a decision or problem. It is normally written from the viewpoint of the decision maker involved and allows the student to step figuratively into the shoes of the decision maker or problem solver.”</i> (Erskine et al., 1981, p.10)
1991	Campbell and Lewis	<i>“Case studies challenge students to move away from the purely receptive mode than often undergraduates are conditioned to expect”</i> (Campbell & Lewis, 1991, cited in Horsfield, 1995, p. 298)
1995	Horsfield	<i>“Case studies provide students with an opportunity to apply the concepts they have learnt to real world situations”</i> (Horsfield, 1995, p. 298)
1999	Fry et al.	<i>“Complex examples which give an insight into the context of problem as well as illustrating the main point”</i> (Fry et al., 1999, cited in Davis & Wilcock, 2003, p. 3)
2003	Davis and Wilcock	<i>“Student-centred activities based on topic that demonstrate theoretical concepts in an applied setting.”</i> (Davis & Wilcock, 2003, pp. 3-4)

According to the definitions given by accounting educators, case studies in education can be a machine which brings real-life experience and complex scenarios to students. This device stimulates students to learn by taking action on the circumstances. Even though the definitions of case studies might seem to be vague and their characteristics unclear (Brown & Guilding, 1993; Hassall & Milne, 2004), academics are likely to consider its functions in practice rather than its meanings (Yarana, Monk & Michelson, 2014b, p.4). For this thesis, I define case studies as a set of teaching materials or activities which facilitates a climate of deep and active learning where students can apply theoretical knowledge to real practice.

3.5.2 Why Case Studies Should Be Employed in Audit Education

Case studies are a significant teaching material in audit education. The first reason is that case studies benefit cognitive aspect of auditing students. As discussed in Section 3.3.1, traditional teaching methods seem to provide surface and passive approaches to learning. Lecturers have placed too much focus on teaching techniques and a body of knowledge. This constrains the development of generic skills, soft skills and creativity (Boyce *et al.*, 2001). However, case studies can deal with this problem. The earlier literature revealed that case studies can promote deep learning (Boyce *et al.*, 2001; Dennis, 2003), active learning (Monk, 2004; O’Leary and Stewart, 2013) and experiential learning (Monk, 2004) of auditing students. Using case studies enables students to grasp the rule of auditing (Dennis, 2003, p.416). Moreover, analysing case studies leads students to construct their own knowledge (Boyce *et al.*, 2001). Also, case studies facilitate students to extract and evaluate the content they have learn (Beattie, Fearnley & Hines, 2012; Slack, Loughran & Abrahams, 2014).

The second reason is that case studies can enhance professional skills such as problem-solving skills (Tysinger, Klonis, Sadler, & Wagner, 1997; Menkel-Meadow, 2000; Mills & Treagust, 2003; Hassall & Milne, 2004), decision-making skills (Weil *et al.*, 2004), transferable skills (Dennis, 2003), organisational thinking (Jonassen & Hernandez-Serrano, 2002), generic skills (Boyce *et al.*, 2001), analytical reasoning (Helliard *et al.*, 2007). Traditional methods such as doing exercises or examinations tend to solve specific problems rather than create alternative solutions. However, situations in the real practice are more complex and complicated than in the textbooks. There is no certain solution. In addition, the solutions of one situation might not be able to resolve all problems. On the other hand, case studies are more realistic and flexible than exercises in textbooks. Case studies are good practical examples of real-life situations (Davis & Wilcock, 2003). Cases facilitate a climate of active learning where students have an opportunity to discuss, analyse, apply their knowledge to find alternative ways to solve the problems instead of trying to memorise all solutions. Also, students are trained to synthesise and evaluate auditing content. As a result, they can enhance problem-solving skills (Hassall & Milne, 2004) and decision-making skills regarding business environment (Weil *et al.*, 2004).

Moreover, case studies can enhance personal skills³⁶ and transferable skills³⁷ of auditing students. Libby (1991) mentioned that case studies can enhance oral

³⁶ Hassall *et al.* (1998) defined personal skills as the ability to work within a group and the communication skills involving the negotiation skills where individual can identify, analyse a problem and propose solutions within a group. In addition, personal skills associates with recognition and acceptance of leadership qualities and skills, intra-or-inter group presentation skills, the ability to raise questions and assumptions as well as listening to argument and respond accordingly (Hassall *et al.*, 1998, p.27).

³⁷ Sawyer, Tomlinson, and Maples (2000) defined transferable skills as communication, interpersonal relations, self-management, creativity, decision-making and problem-solving skills (Sawyer *et al.*, 2000 cited in Dennis, 2003, p.416).

communication skills, written communication skills and group interaction skills (Libby, 1991, cited in Hassall, Lewis, & Broadbent, 1998, p.327). In addition, cases can enhance professional judgements (Beattie *et al.*, 2011; Hassall and Milne, 2004; Slack *et al.*, 2014) of students. For example, McMillan (1994) stated that audit practitioners and students encountered problems of identifying audit evidence and exercising professional judgements. To this end, he conducted empirical research with 120 students and 105 employed auditors in the U.S. Cases studies were developed and carried out experimentally with the two cohorts. The result affirmed that both audit students and practitioners could gain benefit from case studies. They could link audit evidence with specific audit objectives (McMillan, 1994).

The third reason is that case studies benefit ethical awareness of auditing students. The use of case studies provides an opportunity for students to address ethical issues. Cases also stimulate students' motivation (Libby, 1991 cited in Hassall *et al.*, 1998). Ethical scenarios challenge students to confront real situations, exercise professional scepticism, and judgement. Analysing the complex dilemmas, students will attempt to apply prior knowledge regarding code of ethics to the real practice. Finally, students will construct the new concept and enhance ethical sensitivity. There is some empirical evidence illustrating the effectiveness of case studies. For example, research conducted by Earley and Kelly (2004) studied the effectiveness of teaching morality to auditing students. They delivered ethical scenarios through textbooks, video presentations and a take-home project. All the research hypotheses were assessed by using Rest's (1979) Defining Issues Test (DIT)³⁸ and Thorne's Accounting Ethical Dilemma Instrument

³⁸ The Defining Issue Test (DIT) was developed by Rest in 1970s to measure individuals' moral judgements. Rest developed a measurement based on the Kohlbergian model. The Defining Issue Test

(AEDI)³⁹. The overall results revealed that ethical issues can be effective in improving students' context-specific moral reasoning. This study suggested that the use of current events or cases might indeed motivate students' interest and lead to the more efficient moral development of auditing students (Earley & Kelly, 2004). Blanthorne *et al.* (2007) conducted a survey research with accounting faculty members in the U.S. The result showed that respondents perceived that using case studies is the best method of ethics teaching. Respondents tended to participate with case analysis rather than employ traditional teaching methods (Blanthorne *et al.*, 2007, p. 384).

3.5.3 Limitations of Case Studies

Although case studies have many advantages to enhancing capability and competence of students, there are some disadvantages which educators should consider when they design a set of case studies. Firstly, it is claimed that case studies provide scant explanation and are composed of biased information. For example, Popil (2011) noted that case studies seem to be embedded with authors' biases. The cases are not appropriate

(DIT) emphasises on moral functioning of a person. Rest claimed that individuals interpret moral issues form their understanding of social structures and their mechanism such as a self-focused view of moral issues and group-based moral views (Thoma & Dong, 2014). The DIT was designed as a substitute for the moral judgement interview (MJI). It is composed of six moral dilemmas which encourages participants to read through and address their moral reasoning in each dilemma (Sabin, 2006). On the DIT, each participant is required to rate 12 issues in terms of the importance of each issues in the corresponding dilemma (five Likert scales from 1= GREAT to 5 = NO) and rank four most important statements (Earley & Kelly, 2002). Participants' responses are computed as "P scores" presenting post-conventional reasoning preferred by each participant (Rest, Narvaez, & Thoma, 1999). Each dilemma has a maximum "P" score of 10. The raw "P" scores range from 0-57. Then, they are converted to a percentage score which ranges from 0-95% (Earley & Kelly, 2002, p. 7).

³⁹ The Accounting Ethical Dilemma Instrument (AEDI) was developed by Thorne (2000). She aimed to assess accountants' prescriptive and deliberative moral reasoning (Thorne, 2000, p. 139). To this end, ethical dilemmas regarding specific accounting context were developed. The Defining Issues Test (DIT) was applied as a prototype. Accordingly, the AEDI has two measures: (1) a measure of individual's prescriptive moral reasoning which aims to identify what one should do to resolve the particular dilemma, and (2) a measure of individual's deliberative moral reasoning which focuses on actual intended resolution of an ethical dilemma (Earley & Kelly, 2002, pp.8-9).

for teaching concrete facts because the specific dilemmas included are often too narrow. Secondly, educators complained that developing a case study is a time-consuming task. Moreover, it is difficult to find appropriate answers for each dilemma (Popil, 2011). Thirdly, there is an argument that case studies are sometimes artificial and fictitious (Dennis, 2003). Thus, educators should design a realistic case study which provides facts and unbiased information (Pattison, 2001). However, educators might deal with a professional confidentiality when they develop case scenarios based on real stories in specific contexts as Malby (2001) stated that a real case is not really obtainable (Maltby, 2001, p. 426). In particular, financial information of a company is confidential and difficult to disclose. Thus, educators should take into account this issue when they create a case as well. Additionally, a good case study should encourage students to exercise critical and reflective thinking. It also should encourage a person to activate judgement (Dennis, 2003). In addition, Bonner (1999) noted that accounting educators should carefully consider the relationship between case studies and course objectives (Bonner, 1999, cited in Weil *et al.*, 2004, p. 142). They should consider whether accounting and auditing case studies enable students to grasp the rules of auditing and apply them properly in practice. However, individuals have different judgements due to the divergence of interpretations. Thus, audit educators should clarify the explanation of the rules and learning objectives. They also need to determine and describe learning outcomes to students before the cases' implementation (Dennis, 2003).

3.5.4 A Further Consideration on Using Case Studies as an Instructional Tool to Enhance Ethics of Audit Students

Some issues still occur in ethical instruction. Recently, Cameron and O’Leary (2015) pointed out that even though educators use case studies, vignettes or ethical scenarios to stimulate ethical sensitivities of auditing students, the previous research results appeared to show that academics tended to suggest to students they focus on compliance with law and regulation under the codes of ethics rather than cultivate a sense of ethics (p. 4). In this respect, using case studies does not effectively enhance ethical sensitivity of auditing students as much as it should. Cameron and O’Leary (2015) also argued that teaching ethics in accounting and auditing actually supplements students’ ability to gain more understanding in ethics and guides the correct way to deal with a certain dilemma. However, educators cannot change individual ethical behaviour (Fulmer and Cargile, 1987, cited in Cameron & O’Leary, 2015, p. 4).

With regard to the above issue, this thesis agrees that students should be trained to take action and reflect on ethical dilemmas. Also, they should exercise individual decision-making and judgement skills dealing with complex scenarios rather than merely remember the codes or adhere to legal components of ethical dilemmas. A possible way to narrow this gap is promoting active learning and critical reflection to auditing students. However, a study by Monk (2004) noted that lecturers did not appear to embrace group activities and presentations to promote deep learning in the classroom (Monk, 2004). In addition, a recent study of Lilley and Lofthouse (2010) also suggested that deeper reflection on the social, environmental, and ethical impacts can be useful to promote sustainable and ethical behaviour of individuals (p. 67). Therefore, this thesis will take

an opportunity from these gaps. There will be an application of reflective learning theory, group activities, presentation in developing an instructional intervention. The theoretical and conceptual framework of this thesis will be explained in the next chapter.

3.6 Summary

Auditing has become an important subject in accounting education. Since the world economic crisis in the 2000s, there have been higher expectations from the public not only concerning audit quality but also concerning the ethics and morality of auditors. The reason for this is that auditors are crucial professionals who provide reliability for companies' financial information. In order to meet public expectations, nurturing good professional accountants has also become a challenging responsibility for audit educators in higher education. This thesis aims to improve three important attributes of auditing students comprising knowledge, skills and ethics. With regard to the literature review, it comes to the conclusion as shown in the table below.

Table 3.5: Summary of the Key Elements for Improvement in Audit Instruction

Significant Features	Desired Improvement
1. Learning Strategy	Delivery Methods <ul style="list-style-type: none"> ➤ Deep learning <ul style="list-style-type: none"> • Learning with understanding • Manage individuals' concepts ➤ Active learning <ul style="list-style-type: none"> • Interact with groups / Participations • Retention and application of knowledge • Self-learning / life-long learning ➤ Integrated instruction / Holistic instruction <ul style="list-style-type: none"> • Visualisation of overall audit process • Critical thinking • Systematic thinking • Questionning / Scepticism
2. Attitudes of audit students	<ul style="list-style-type: none"> ➤ Positive attitude towards auditing learning <ul style="list-style-type: none"> • Interested in the subject matters • Enjoyment • High motivation to study

Significant Features	Desired Improvement
	<ul style="list-style-type: none"> Consider auditing as a subject related to work rather than intent to pass the exams <p>➤ Positive attitude towards the audit profession</p> <ul style="list-style-type: none"> High motivation to work / entering to the audit profession
3. Academic capability of audit students	➤ Students are able to apply knowledge to real practice
4. Professional skills	<p>➤ Desired skills development</p> <ul style="list-style-type: none"> Critical thinking skill Decision making skill Problem-solving skill Judgement skill Analytical skill Collaboration Communication skill Professional scepticism
5. Professional ethics	<p>➤ Desired ethics development</p> <ul style="list-style-type: none"> Ethical recognition : recognise rules and regulation in a sense of ethics rather than just remember the rules Ethical concern : identify ethical issues and provide appropriate resolutions Ethical reaction : individual is expected to change ethical behaviour

The literature review contributes to five key elements for improvement in audit instruction. Firstly, with respect to knowledge, there is a big gap in learning strategy. Delivery methods such as deep, active learning and integrated learning are required. Secondly, individual attitudes towards auditing subject and the audit professional need to change. Thirdly, audit students are required to enhance their capability of linking between audit theory and practice. Fourthly, in terms of professional skills, important skills need to be added to audit education such as critical thinking, decision-making, problem-solving, judgement, collaboration and communication skills. Finally, educators agree on the importance of nurturing and cultivating ethics in the audit profession. Especially, traditional ethics teaching method tend to be ineffective. At the moment, there has been problems in the “delivery method” and the “lack of effective tools”. Ethics education in

auditing still needs appropriate instruments to stimulate the ethical sensitivity of the students.

Even though various teaching methods have been used in audit instruction, the literature suggested that case studies can be the most effective tool to improve the ethics and attitudes of students. Audit educators should add real situations or cases and these cases should draw on lessons from accounting scandals such as fraud or risks in order to stimulate the moral reasoning of the students. Ethics teaching in auditing should encourage students to work in groups. Lastly, audit instructors should assign students to work on a project to enhance the problem-solving and moral reasoning of the students.

This thesis particularly aims to develop audit education in Thailand. The reasons are that there is a requirement for integrated instruction in Thailand due to internal and external factors such as professional bodies, professional education standards and the ASEAN community. In addition, at present, Thai auditing students are coping with an ineffective learning strategy and a lack of linkage between theory and practice. Moreover, Thai auditing students are required to improve their capability, competence and ethical awareness in order to become competent auditors in the future who can deal with domestic economic and political crises in the country. Audit education in Thailand must therefore be improved. The next chapter will provide a further investigation into the theories related to the enhancement of competent auditing learners. All significant elements will be combined to construct a conceptual framework to enhance the capability, competence and ethical awareness of auditing students.

CHAPTER FOUR

CONCEPTUAL FRAMEWORK

4.1 Introduction

This chapter aims to outline substantive theories and concepts which are selected as the conceptual framework of this thesis. First, there will be a consideration of learning theories related to enhancing capability, competence and ethics of auditing students. Secondly, this chapter focuses more on theories related to develop ethics of auditing students. The chapter is divided into two sections. The first section will be an investigation of learning theories with regard to enhancing auditing learning and will explore examples of prior empirical works. The second section seeks to understand the basis of theories and concepts related to ethical development in both the practical and academic areas of auditing. Following these two sections, the conclusion suggests a possible way to make use of these theories and concepts in practice.

4.2 Auditing, Professionalism and Roles of Learning Theories in Audit Education

Auditing is one profession where individuals who identify themselves as professionals are not only responsible for the standard of their service, but also need to maintain the professional status to continue their professional development. Being professional, individuals need to deliberately demonstrate about public interests. In addition, the public expect their service to contribute the best value to the society (Pholkeo, 2013, p.47), including development of professional skills, continuous

professional knowledge and lifelong learning (Kavanagh & Drennan, 2008, p. 280). Professionals have distinctive characteristics such as theoretical knowledge, transferable skills and ethics which differentiate professionals from other occupations (Evetts, 2014). Therefore, specific instructions or training is necessary for professional education (Pholkeo, 2013). The important elements in preparing future professionals is not only to equip them with capabilities and competence, but also with a sense of ethics and morality.

Evetts (2014) categorised predominant characteristics of professionals as shown in table 4.1. According to Evetts (2014), the ideological components of being professionals are composed of empowerment, innovation, autonomy and discretion (Evetts, 2014, p. 44). Professionalism confronts rapid changes in knowledge, skills and attitudes (Lehtinen, Hakkarainen, & Palonen, 2014). Especially, there has been an increasing demand for demonstrating professionalism among accounting and audit professionals (Evetts, 2014, p. 44).

Table 4.1: The Ideology of Professionalism

No.	Predominant Characteristics
1.	➤ Practitioners can control the work systems, processes, procedures
2.	➤ Professional institutions provide codes of ethics, licensing and admission procedures as well as control competence and maintain professional status. In addition, professional associations investigate complaints and determine appropriate sanctions for professional malpractice.
3.	➤ Collegial authority, Legitimacy, mutual support and cooperation
4.	➤ Involve with periods of shared education, training and apprenticeship
5.	➤ Development of strong occupational identities and work cultures

No.	Predominant Characteristics
6.	➤ Strong sense of purpose and of the importance, function, contribution and significance of work
7.	➤ Prudent judgement, assessment, evaluation and decision making, often deal with highly complex cases, and provide confidential advice, treatment, and means of taking forward
8.	➤ Trust and confidence characterize the relations between practitioner, clients, employers and fellow practitioners

(Adapted from Evetts, 2014, p.43)

In response to developing professional pedagogy, learning theories play vital roles in curricula and instructional designs. For example, medical educators employ normative learning theories, cognitive learning theories, social theories and situativity theory in their teaching (Sandars, Patel, & Sun Goh, 2015). Medical educators applied learning theories to design an instructional intervention regarding information technology in medical education (Sandars *et al.*, 2015). This results in enhancement of characteristics of professionalism within individuals. Students are able to handle complex problems in dynamic society.

With regard to accounting and auditing education, although the literature has documented that educators adapted learning theories to their instruction such as Experiential learning, Deep and surface learning, Constructivist, Information processing, Situated learning and Conversation theory (Monk, 2004, p.23), those theories seem to be employed in developing specific aspects of teaching and learning. For example, Dombrowski *et al.* (2013) applied experiential learning to encourage team work skill of auditing students. Stanley and Marsden (2012) employed problem-based learning and

constructivist learning theory to enhance skills of questioning, teamwork and problem solving of accounting students. Dickin and T.Reisch (2012) used constructivist learning theory to improve professional scepticism and ability to identify fraud risk of auditing students.

On the other hand, the literature suggested that there should be an audit instruction in the university which can prepare a practitioner who has “a more holistic view of the profession” (Helliard *et al.*, 2007, p. 59). As mentioned in Table 3.5 of Chapter 3, academic capability, professional skills and professional ethics are the key elements for improvement in individual auditing students. Moreover, prior studies in Thailand have rarely mentioned developing holistic aspects such as theoretical knowledge, professional skills and ethics of auditing students. Therefore, it would be interesting to combine concepts of learning theories in developing holistic attributes of the students. To address this gap, this thesis aims to discover an alternative way to strengthen “the ideology of professionalism” within individual auditing students.

There has been an argument in the literature with regard to the preparation of professionalism. Generally, continuous professional development in accounting requires the development and maintenance of competence relating to accountants’ work and professional responsibilities (De Lange, Jackling, & Suwardy, 2015 p. 44). Some educators believe that professional education should be provided when people have already entered to their professions. For instance, empirical research by Helliard *et al.*, (2007) revealed that from the academics’ perspective, audit professional education is more focused on developing technical knowledge, skills and ethics than university

education. The reason is that practitioners have ultimate goals of being a professional whereas some accounting students who study auditing might not enter to the audit profession. However, some practitioners argued that professional education cannot cultivate critical reflection of individuals because of time constraints. Nurturing professional skills and ethics takes a long period to develop deep insight into the discipline. For this reason, the preparation of professionalism including ethics awareness within individuals should start in the university. Holistic attributes which make students' approach to "the ideology of professionalism" should be cultivated in the classroom environment. To this end, this thesis assumes that core concepts of learning theories such as Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) can be integrated and applied to auditing pedagogy in higher degree level. As a result, a combination of these theories will contribute to enhance knowledge, skills, and in particular, ethics of students. In addition, the concepts of the theories will organise the development of an instructional intervention in practice. The following section will be an examination of learning theories which are utilised in this thesis.

4.3 Learning Theories with Regard to Enhancing Auditing

Learning

4.3.1 Transformative Learning Theory (TLT)

The idea of Transformative Learning Theory (TLT) emphasises transformation in the whole person, adult education and life-long learning. The transformative learning theory was initially established by Mezirow (1975, 1978). The idea was derived from the grounded theory of women returning to study in higher education (Mezirow, 1978a and

1978b, cited in Merriam & Kim, 2012). This theory has long foundations of western education from ancient Greeks that offer insights into how to develop of human behaviour and experience (Parker & Wilding, 2012, p.3). Transformative learning theory presents a broad and unified perspective of human epistemology. The main concept of transformative learning theory is that individual learning occurs by making use of prior experience to interpret and revise the meaning of new experiences. This process will guide the individual's action in the future (Cranton & Taylor, 2012). Transformative learning theory focuses on the unconscious acquisition of knowledge, inspiration, empathy and transcendence. It involves self-knowledge and self-development. Its learning process encourages students to critically reflect on their own assumptions. Students will therefore learn through their souls (Dirkx, 1997 cited in Cranton & Taylor, 2012) and transform their knowledge as a result. Mezirow (1997) explained transformative learning in terms of "a frame of reference" consisting of two dimensions: habits of mind and a point of view (Mezirow, 1997). Habits of mind refer to a human's ways of thinking, feeling and acting, influenced by culture, society, education, politics and psychology. On the other hand, points of view involve sets of expectations, beliefs and attitudes which determine how humans judge the world. Points of view are influenced by habits of mind when people consider specific issues. Habits of mind shape the constellation of belief, value of judgement, feeling of individuals and result in a particular interpretation. For example, ethnocentrism is a habit of mind where people believe in the superiority of their own ethnic group. The predisposition to regard people outside their own group as inferior results in points of view of people within the group. They have specific feelings, belief, attitude and judgements toward other ethnic groups such as homosexuals, coloured people, or women (Mezirow, 1997, p. 6). According to Mezirow (1997), Points of view can be

continuously changed when people reflect on results of their problem solvings. A new point of view can happen whenever people try to understand actions that do not work the way they anticipate (ibid). Thus, transformative learning theory can be used in adult education because adults have already acquired a body of experience. They have their own concepts, values, feelings and conditions to respond and shape their own knowledge.

Many researchers use the transformative learning theory as a theoretical framework to explain an integrated teaching and learning process (Parker & Wilding, 2012). However, the theoretical framework of transformative learning theory is abstract. Therefore, researchers tend to select only some aspects from the transformative learning theory to study. For example, Brookfield (1985) adopted the idea of critical reflection, Mezirow (1991) adopted the idea of rational discourse and Freire (1985) adopted the idea of policy praxis and so on (Taylor & Synder, 2012).

Transformative learning theory can be applied to strengthen “the ideology of professionalism” within auditing students. As mentioned earlier, professional skills such as critical thinking, Judgment, Professional scepticism, and professional ethics are significant key elements for improvement. However, the literature noted that in practice, auditors often conduct audit procedures by following the rules without understanding “why these tasks were appropriated” (Helliard *et al.*, 2007, p.16). The situation is worse in case of auditing students who lack experience. The concept of Transformative learning theory can deal with this problem, because it organises systems of thoughts (Alhadeff-Jones, 2012). Applying concepts of Transformative learning, students will be encouraged to question, critically reflect on the circumstances and make the meaning of the world

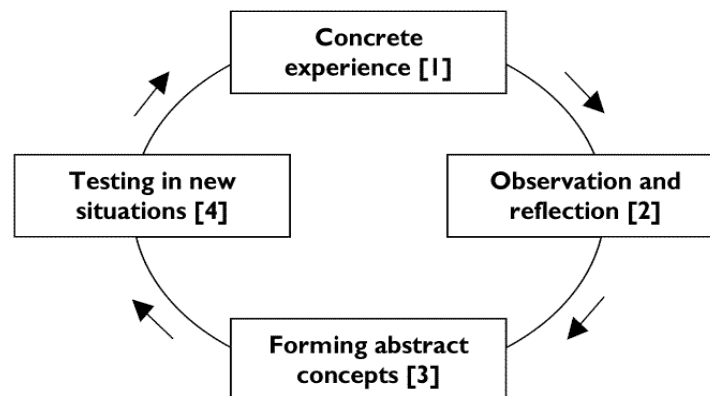
through their experiences. The idea of an unconscious perception of knowledge, which occurs when a person reflects on special circumstances, can be gradually developed. When some events have happened, students will be asked “What happened here?”, “How did they come to think this way” and “Why is this important”. Eventually, transformative learning theory will change students’ ways of thinking and behaviour. Thus, a new knowledge will take place at this stage. “Procedural knowledge” (Helliard *et al.*, 2007, p. 16), critical thinking, professional scepticism and judgement will be constructed through a process of critical self-reflection (Cranton & King, 2003, p.32).

The concept of autonomous learning can also be applied to ethics teaching in auditing. Transformative learning theory can stimulate sense of liberation as adult learners among students (Ettling, 2006, p. 59). Audit educators can employ the theory by providing new moral experiences through ethical dilemmas, allowing students to determine moral reasons and encouraging students to generate new knowledge when they are confronted with ethical issues. In this respect, students will be provoked to raise questions, find alternative solutions and transform a new knowledge by themselves. This process is necessary in fostering ethics to students because individuals’ judgements on ethical dilemmas are not straightforward as the rules or regulation in the code of ethics might imply. To achieve the goal, individuals should be trained to think and be aware of “the rationales behind having such rules” (Campbell, 2005, p. 27). As a result, Transformative learning theory can help students to autonomously generate ethical sensitivity. In addition, this theory might eventually provide a way of changing auditing students’ behaviour into being more ethical.

4.3.2 Experiential Learning Theory (ELT)

The concept of experiential learning is established from the tradition of adult education theory (Miettinen, 2000, p. 54). The predominant ideas are related to individuals' experiences and reflections. The ELT followers conceive that individuals have innate capacity of grow and learning (op cit.:p. 55). Human beings can generate a new knowledge by dealing with problems and reflecting on circumstances. David Kolb (1984) is known as the pioneer of Experiential learning theory. His double loop model of experiential learning is derived from ideas of other three educators namely John Dewey (1938), Kert Lewin (1951) and Jean Piaget (1952). The starting point of Kolb's model of experiential learning is the Lewinian model of Action Research and Laboratory Training (Miettinen, 2000, p. 57) as shown in Figure 4.1.

Figure 4.1: Lewin's Model of Experiential Learning⁴⁰



(Kolb, 2015, p. 32)

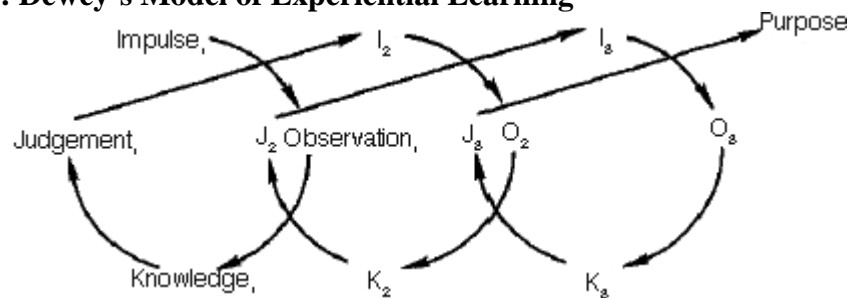
According to Lewin (1951), human beings have a four-stage cycle of learning. Individuals acquire concrete experience through their observation and reflection. Then,

⁴⁰ Source of figure: "David Kolb on experiential learning" (2015). Retrieved October 29, 2015, from <http://www.psicopolis.com/renafop/kolbexperiential.htm>.

their observations are assimilated to form abstract concepts and generalisations. The implications or hypotheses will guide the acting in new experiences (Kolb, 2015, p. 32). Lewin highlighted here-and-now experience to validate and test the theory. He also believed that individuals learn from feedback process and problem-solving process. Giving feedbacks contributes to a continuous process of generating valid information. Individuals' learning cannot effectively occur if they lack feedback processes.

Kolb (1984) also cited Dewey's model of experiential learning. He suggested that John Dewey (1938) illuminated the process of learning transformation. Figure 4.2 presents model of Dewey's experiential learning.

Figure 4.2: Dewey's Model of Experiential Learning⁴¹



(Kolb, 2015, p. 34)

In Dewey's model, reflective thought and action are significantly highlighted. It portrays how learning transforms impulses, feelings and desires of concrete experience into purposeful action (Miettinen, 2000, p. 64). According to his model, Dewey explained that human beings have the ability to adapt to their environment. Basically, individuals have habits or routine ways of doing things. When individuals encounter emerging crisis

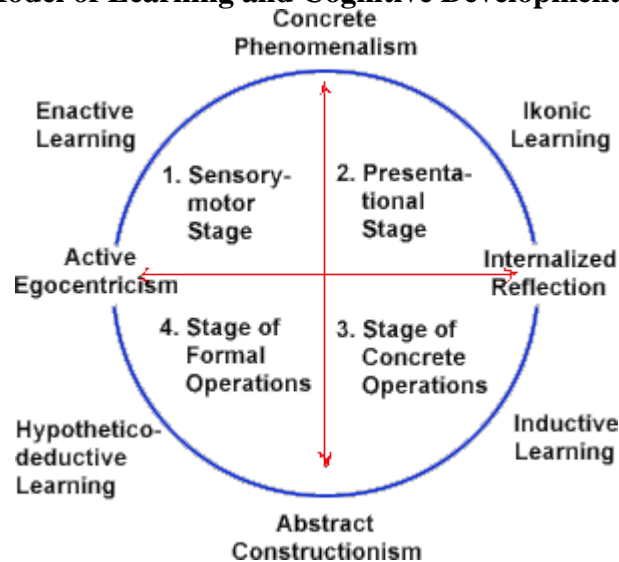
⁴¹ Source of figure: "Experiential learning models" (2015). Retrieved October 29, 2015, from <https://reflectionforstudentaffairs.wordpress.com/models/experiential-learning-models/>.

or uncertainty and discover that the current habits do not function or have problems (an impulse in Figure 4.2), they will reflect on the dilemmas and investigate the situations (an observation in Figure 4.2). At this stage, hypotheses will be set, tested and taken action to solve problems (a knowledge in Figure 4.2). This process contributes to higher level of knowledge (a judgement in Figure 4.2). In Dewey's model, reflection is necessary in problem solving and can only be tested by experiential activity (Miettinen, 2000). In other words, learning and education cannot depart from experience. Although traditional teaching methods such as lecture and exercise can be accommodated to some students' learning style such as students who prefer learning by listening (Schwerdt & Wuppermann, 2011, p. 366), they are not adequate in providing various activities to students. An old-fashioned lectures fail to provide feedback to students. Moreover, students have poor attention, interactivity, and application of theory to practice (Petrović & Pale, 2015). For this reason, experiential activities should be added in current curricula (Monk, 2004). Educators should also encourage students to reflect and interact with dilemmas. As a result, students will be able to construct their own knowledge.

Kolb (1984) also employed the development of adult education from Piaget's model of Learning and Cognitive Development (see Figure 4.3). The model explains the development of human beings' learning from birth to adulthood (around 14-16 years old) (Kolb, 2015, p. 34). In Piaget's model, process of individuals' learning occurs when they interact with environment. A cycle of learning results from a balance between the process of accommodation and the process of assimilation. Individuals' views of the world can move from a concrete phenomenal view to an abstract constructionist view. In addition,

their mode of knowing can transform from an active egocentric view to a reflective internalised view.

Figure 4.3: Piaget’s Model of Learning and Cognitive Development⁴²



(Kolb, 2015, p. 36)

Piaget suggested four stages of cognitive development. The first stage is “the sensory-motor stage” which begins from birth to two years old. Children’s cognition is constructed by movement and reflexivity to surrounding environment. Their learning style tends to be predominantly concrete and active. Children learn through feeling, touching, and handling (Kolb, 2015, p. 34). The second stage is the pre-operational stage or the representational stage which occurs when children are two to six years old. At this stage, children’s intelligence is constructed by intuition. They begin to develop reflective orientation, internalise actions and convert them to images. They can think about things but cannot create their own concepts (Bampton, 2004). The third stage is “concrete operations” which occurs when children are approximately seven to eleven years old. At

⁴² Source of figure: “Piaget’s model of learning and cognitive development” (2015). Retrieved November 5, 2015, from <https://kangyy1.wordpress.com/2014/10/28/experiential-learning/>.

this stage, children are able to engage in logical thinking but requires concrete evidence. They are independent from immediate experiential world. Contrast to the sensory-motor stage, children are more assimilative. They select and rely on concepts or theory. Then, they start giving shape to their experiences (Kolb, 2015, p. 35). The last stage is the formal operation stage occurring when children are over eleven years old. At this stage, adolescents are able to acquire abstract thought and hypothetical reasoning (Bampton, 2004). They can develop an implication of their own theories and can experimentally test their hypotheses.

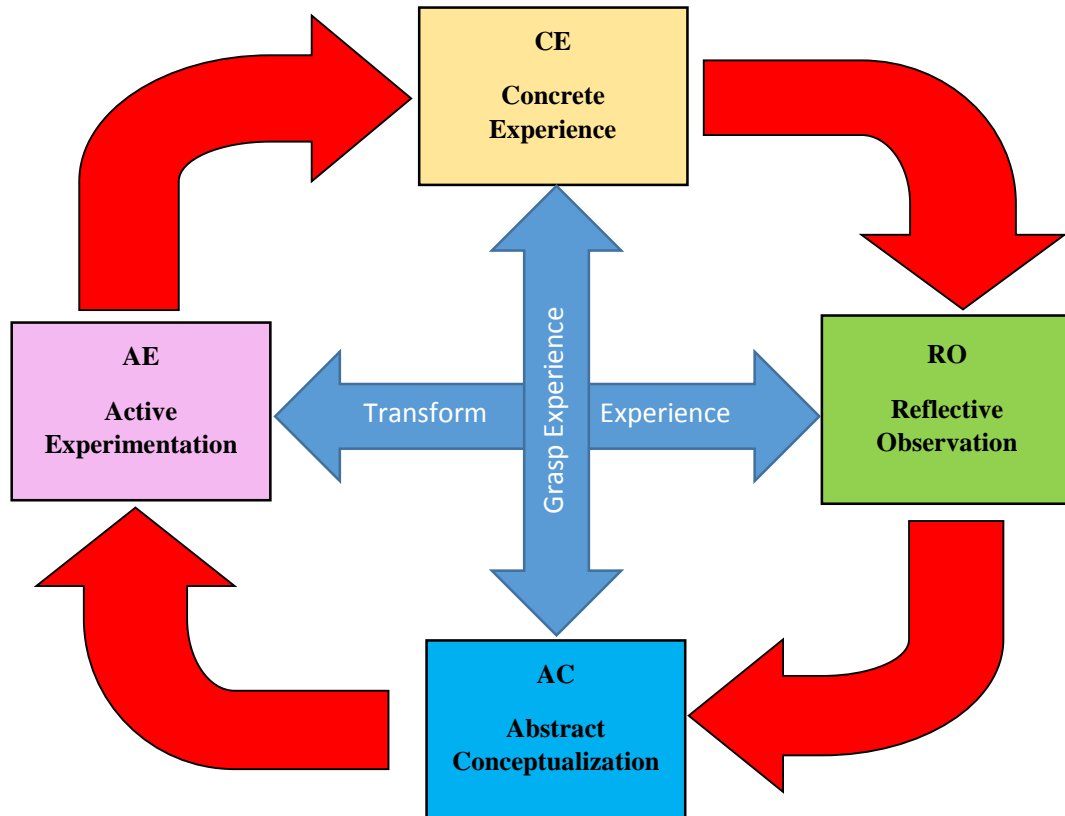
4.3.3 Kolb's Learning Cycle

Kolb (1984) combined concepts of the above three models of learning together. He defined experiential learning as “the process whereby knowledge is created through the transformation of experience” (Kolb, 1984, cited in Monk, 2004, p. 33). Figure 4.4 presents Kolb's model of experiential learning. For Kolb, the learning cycle is explained as follows:

“Knowledge results from the combination of grasping and transforming experience. Grasping experience refers to the process of taking in information, and transforming experience is how individuals interpret and act on that information. The experiential learning theory learning model portrays two dialectically related modes of grasping experience—Concrete Experience (CE) and Abstract Conceptualization (AC)—and two dialectically related modes of transforming experience—Reflective Observation (RO) and Active Experimentation (AE). Learning arises from the resolution of creative tension among these four learning modes. This process is portrayed as an idealized learning cycle or spiral where the learner touches all the bases—experiencing (CE), reflecting (RO), thinking (AC) and acting (AE)—in a recursive process that is sensitive to the learning situation and what is being learned. Immediate or concrete experiences are the basis for observations and reflections. These reflections are assimilated and distilled into abstract concepts from which new implications for action can be drawn. These implications can be

actively tested and serve as guides in creating new experiences.” (Kolb, 2015, p. 51)

Figure 4.4: Kolb’s Model of Experiential Learning



(Kolb, 2015, p. 51)

The notion of the experiential learning theory is that individuals make use of their past experiences. Experiences of individuals are stored in an unconscious section. When individuals are conscious, the past experiences will convey an impression. In the learning process, individuals enter situations through both formal and informal events from teachers or themselves. These experiences can be cognitive dimensions or affective dimensions, or involve emotions or senses such as smell or taste. Eventually, the process of reflection regarding experiences occurs internally and constructs the new knowledge.

Concepts of students' learning styles from experiential learning theory have been an interest in accounting education and many researchers studied in this area (as mentioned earlier in Section 3.3.1 of Chapter 3). However, an individual's learning style is unique to each person and educators cannot identify which learning style is the best. For this reason, the ideas of students' learning styles are beyond the scope of this study. On the other hand, regardless of the students' learning styles, it could be more interesting if educators manipulate the concept of adult learning and autonomous learning to practice. The important point should be that students can cope with complex situations by themselves. Therefore, a possible assumption is that contributions of various experiences in the classroom will encourage students to recall prior experience and investigate current situations. Audit students rarely have prior experiences in real-life situations, so lecturers should provide more information including complex scenarios through exercises, various activities, or case studies (Beattie *et al.*, 2012; Drake, 2011). The implication of the ELT learning spiral will result in autonomous construction of a new knowledge of students (see Kolb's double loop learning model in Figure 4.4). This also becomes more vital when students enter to the audit profession as they have to encounter complex problems in daily practice.

Experiential learning theory is beneficial in teaching and learning. Reynolds and Vince (2006) noted that there are five themes of using experiential learning in the classroom. First, experiential learning is utilized by a speculating individual's emotion, unconsciousness, society and political forces that guide this learning, managing and organizing. Secondly, the experiential learning theory introduces a deep concept to the students. To be more precise, it represents the concept of working to the students. Thirdly,

students are encouraged to reflect on particular aspects such as how and why we can and cannot learn. Next, this experiential learning challenges students to approach the way of thinking and working within the norms of the organizations. Finally, experiential learning encourages collective and critical perspectives from individual students.

Moreover, the experiential learning theory involves passing on real and tangible experience, which is necessary for the transforming process (Parker & Wilding, 2012). In addition, it is explicitly used as a way of developing critical thinking skills. For example, its techniques, action learning (AL) and problem-based learning (PBL) are widely used in business schools at the university level (Reynolds & Vince, 2006). Action learning is mandated by instructors who pose complex problems with which students are faced in real-life situations. The instructors explain the problems and give directions to achieve the learning outcome. They give the assignment to be worked on in groups. Students are expected to act as experts who can resolve problems and find suitable answers for the problems. On the other hand, problem-based learning provides opportunities for students to discuss complex situations that they are not familiar with. The instructors act as “tutors” giving them choices to solve problematic situations. During the process of learning, the learners are challenged to think about their own resourcefulness, creativity and critical thinking. As a result, student are able to find, restore and integrate their own knowledge.

There has been considerable research conducted on applying this experiential learning theory. For example, Siegel *et al.* (1997) applied Kolb (1984)’s model to develop audit education. The research aimed to investigate whether experiential learning could

improve auditing learning. They developed a series of video simulations for audit students assuming that the various instructional activities such as watching the video, communicating with the teacher, writing up cases and providing conclusions, which were developed from the idea of Kolb (1984)'s model, could be adjusted to the students' learning styles and could encourage students to develop their way of learning. The results showed that experiential learning can indeed enhance the effectiveness of audit learning. However, this study recommended that concrete experience should be considered and improved because it is the experience most often lacking. This problem is the root of the problem in accounting and auditing education.

Recently, Gifford and Howe (2012) worked on an educational case namely "Rosie's East End Restaurant: An experiential introduction to auditing". Its purpose was to develop an interactive case to provide various auditing concepts for students and to study the meta-educational goal of engaging students in higher education. They assumed that such a case developed within the conceptual framework of the experiential learning theory and in an active learning environment could enhance the critical thinking skills of the students. They used active, experimental methods and semi-structured problems to understand audit learning. The result showed that students could enhance their critical thinking skills and the exercise was given positive feedback by students with the highest rating related to the general perception of the audit process.

Concepts of the experiential learning theory have inspired the development of auditing students in terms of action learning through real-life experiences and complex scenarios. Prior research has shown that accounting and audit educators have adopted the

concept of experiential learning to enhance cognitive and skills dimensions such as encouraging students to deal with the auditing process and audit techniques. However, an initial idea could be an integration of real-life experiences in an ethical dimension and action learning in auditing. For example, lecturers might provide real scenarios regarding ethical malpractices of auditors to students encouraging them to think about codes of ethics and underpinning reasons of the unethical behaviours, and asking the students to provide possible solutions to solve the problems. Consequently, auditing students will be able to enhance their critical thinking skills and ethical judgement through real practice.

4.3.4 Reflective Learning Theory (RLT)

Reflective Learning Theory originated from concepts of reflective thinking and reflective practice established by philosophers such as John Dewey (1938), Donald Schön (1983), David Kolb (1984), Graham Gibbs (1988) (Roffey-Barentsen & Malthouse, 2009). The table below summarises main concepts of reflection and reflective practice which are contributed by proponents of reflective learning theory.

Table 4.2: Summary of Main Concepts of Reflection Contributed by Proponents of Reflective Learning Theory

Philosophers	Main concepts of reflection and reflective practice
Dewey (1938)	Reflection occurs when individuals critically think about uncertainty and problems. Then, they seek to understand the problem and try to solve those problems. Model of Dewey's (1938) reflective thinking is shown in Figure 4.2.
Schön (1983)	Reflective practice refers to reflection-in-action and reflection-on-action. Reflection-in-action occurs when individuals force to start thinking on their own as they find the current practice is not working as well as they have expected. Whilst, reflection-on-action occurs when individuals analyse and scrutinise about the experience during or after the events.
Kolb (1984)	Kolb's (1984) model of experiential learning (see Figure 4.4) can also explain as a four-stage model relating to reflective thinking

Philosophers	Main concepts of reflection and reflective practice
	(Roffey-Barentsen & Malthouse, 2009). According to Kolb's (1984) model, the reflective cycle starts when individuals have concrete experience (doing it). Then, they observe and reflect on the events (reflecting on it). After the reflection, individuals will construct abstract conceptualisation (reading up on it). Finally, they take action to solve problem by active experiment (planning the next stage)
Gibbs (1988) ⁴³	There are six stages of reflective practice. The first stage begins when individuals set a description of the situations or events. Next, individuals will consider feelings towards the events. The third stage is that individuals consider about good or bad things of the events. Next, they will analysis or make sense of the experience trying to state what they have learned from the situations. The fifth stage is that individuals consider on the things they could have done additionally for the events. Finally, individuals will prepare for an action plan if the events will occur again in the future.

Reflection and reflective practice are likely to have a vague definition (Leigh & Bailey, 2013) and sometimes appear to overlap with other learning theories (Roffey-Barentsen & Malthouse, 2009, p.4) such as Transformative learning theory (Lucas, 2011) and Experiential learning theory. However, the process of reflection, in particular, critical reflection is effective and useful in practice. Moon (2004) cited that critical reflection employs a process of review, interpretation and reconstruction. It constructs transcendence of a person's thinking to be more critical (Moon, 2004). Imel (1992) (cited in Leigh & Bailey, 2013) defined critical reflection as critical thinking and analysing one's actions. Meanwhile, Mezirow (1991) (cited in Lucas, 2011) stated that critical reflection can lead to the transformation of belief, attitudes, opinions and reactions that establish students' meaning schemes. According to Mezirow (1991) (cited in Lucas, 2011), the process of critical learning occurs when students critically evaluate the content, process or premise in associate with a problem or situation. Lucas (2011) claimed that

⁴³ Since Gibbs (1988), there have been many academics who are interested in reflection and reflective practice. For example, Gore and Zeichner (1991), Moon (2004), Galea (2012), and Lucas and Tan (2013).

reflection leads one to consider facts or evidence. In addition, it leads to questioning of how one can solve the problem.

Critical reflection is also applied to enhance core professional competency in many professions such as counselling, social work, nursing and teaching. For example, Leigh and Bailey (2013) studied reflective practice and contemplation assuming that body movement and reflective practice can be employed in professional practice. They examined literature regarding reflective practice through contemplative activities such as somatic movement therapy and mindfulness. According to Leigh and Bailey (2013) reflective practice can be cultivated in higher education. For instance, educators can encourage students to move their bodies and reflect their thoughts while moving. As a result, this activity enhanced students' embodied self-awareness, empathy, rumination and critical reflection. In addition, the activities could influence the images, thoughts and feelings of the learners (Leigh & Bailey, 2013). Mann, Gordon and MacLeod (2009) conducted research on reflection and reflective practice in the health professions. They applied reflective practice because healthcare professionals often encounter uncertain and complex situations. In addition, up-to-date knowledge and skills are required in these professions.

Reflective practice can be used as a tool to encourage self-awareness and self-regulation within a person. Therefore, this study aimed to explore the process of reflective practice and the characteristics of teaching and learning in the medical and nursing professions. The results showed that in medical practice, doctors have five processes of reflection. The first stage was called "deliberate induction" where doctors reflected on

unfamiliar problems and sought possible hypotheses. The second stage was “testing” where the doctors evaluated the ways they selected to deal with the problems. The third stage was “openness to reflection” where the doctors engaged in constructive activity. The fourth stage was “meta-reasoning” where the doctors deliberately thought about their thinking processes and the last stage was “deliberate deduction” where the doctors selected the best alternative way for the problems. On the other hand, reflective practice in nursing is likely to be an individual activity. Nurses tend to consider ethical issues before they take action. Then, they report for guidance and supervise the key issues with their team (Mann *et al.*, 2009).

In audit education, reflective learning is predominantly applied to developing critical thinking skills and ethics. For example, Mintz (2006) adopted reflective learning theory to develop a new ethics course for accounting students. He used class discussion, minute papers, reflection journals, role playing and case analysis as learning activities in an accounting classroom. The results showed that students could express their own thoughts through speaking and writing. It also showed that reflective learning could enhance transforming the ideas, understanding ethics and applying morality in various situations (Mintz, 2006).

Lucas (2008) studied features of the pedagogic approach focusing on the effectiveness of reflection in audit instruction. She started with the problem that audit students have deficiencies in identifying and questioning the assumptions. Audit students have limitations in critical reflection. Thus, she attempted to develop activities to enhance the critical thinking skills of the students. Within the twenty-two weeks of an auditing

course, she introduced five activities which were an incident in a store, a playful exercise, a counting in Greenland, a Valentine's day card and a critical thinking crib sheet. The results showed that based on the reflection through the five activities, students had enhanced their critical skills. They had become aware of their own ways of knowing, they had come to question and then they were likely to be able to change their minds (Lucas, 2008).

Compared to other learning theories, the reflective learning theory has predominant concepts in the analysis, interpretation and evaluation of a situation before taking action. The reflection process encourages students to scrutinise and think about circumstances, which in itself is valuable for the acquisition of deeper understanding. Furthermore, in terms of ethical reflection, reflective practice plays a vital role in advocating the sense of ethics, self-awareness and empathy. Reflective practice is broadly utilised in teaching ethics of professional disciplines such as health sciences, engineering and accounting (Yarana, Monk & Michelson, 2014b). The table below demonstrates steps of ethical reflection in professional disciplines.

Table 4.3: Steps of Ethical Reflection in Professional Disciplines

Professional disciplines	References	Steps of Ethical Reflection
1. Engineering	Shuman <i>et al.</i> (2004 and 2005b), cited in Mills & Treagust, 2003)	<ol style="list-style-type: none"> 1. Recognition of dilemmas 2. Identifying pertinent facts 3. Analysing the dilemmas 4. Considering several perspectives 5. Considering risks and solutions
2. Medicine	Charon (2001)	Reflection on the followings: <ol style="list-style-type: none"> 1. Patient-doctor empathic engagement 2. Physician self-reflection 3. Physician-colleagues profession reflection 4. Physician-society reflection (on the public trust)

Professional disciplines	References	Steps of Ethical Reflection
	Mann <i>et al.</i> (2009)	<ol style="list-style-type: none"> 1. Reflecting on unfamiliar problems and find possible hypothesis (Deliberate Induction) 2. Eliminating irrelevant solutions and find the effective consequences (Deliberate Deduction) 3. Testing or evaluating predictions against the problems 4. Reflecting on constructive activities 5. Meta-reasoning (rethinking about personal process)
3. Nursing	Atkins and Murphy (1995) (cited in Howatson-Jones, 2013)	<p>Model based on feelings, knowledge and new concepts</p> <ol style="list-style-type: none"> 1. Awareness of uncomfortable feeling 2. Critical analysis of the situations Development of new concepts on the situations
	Johns (2004) (cited in Howatson-Jones, 2013)	<p>Model for Structure Reflection (MSR)</p> <ol style="list-style-type: none"> 1. Bringing the mind home 2. Description 3. Reflection on what occurred such as feelings, achievements, responses, consequences, knowledge, values 4. Alternatives <ol style="list-style-type: none"> 4.1 How does this situation connect to prior experiences? 4.2 How could I respond to this situation? 4.3 What would be the consequences of alternatives? 5. Changes <ol style="list-style-type: none"> 5.1 How do I feel about this experience? 5.2 Am I able to support myself and others better as a consequence?
4. Accounting	Molyneaux (2008)	<ol style="list-style-type: none"> 1. What is the ethical problem? 2. Which information do I need to make a decision? 3. Which are relevant arguments? 4. How do the ethical principles and values impact on my decision? 5. What is my decision or action?
	Cooper <i>et al.</i> (2008)	<ol style="list-style-type: none"> 1. Determine the facts on what, who, when, where, and how 2. Define the ethical issues (identify stakeholders, ethical issues, discuss the ethical threats) 3. Determine the major rules, principles and values 4. Specify the alternatives 5. Compare values and alternatives (see if clear decision)

Professional disciplines	References	Steps of Ethical Reflection
		6. Assess the consequences in short-term and long-term periods 7. Make ethical decision

(Adapted from Yarana *et al.*, 2014b, pp. 27-28)

With regard to the literature, engineering, accounting and audit educators tend to apply reflective learning theory to enhance analytical skill, critical thinking skill and ethical decision making in their teaching. However, there is scant research in audit education which employs reflective learning theory to enhance a sense of empathy and social responsibility. Cameron and O’Leary (2015), for instance, attempted to improve auditing students’ ethical attitudes. They conducted an experiment with final-year students. The results showed that ethical attitudes of the cohorts towards legal/moral issues were improved, but attitudes of students towards moral only issues did not. The students tended to ignore a prevention of ethical malpractices. Rather, they seemed to adhere rules and regulation of ethical codes (p.1). This study point out an ineffective of ethical instruction in auditing where lecturers concentrated on contextual and thoretical aspects of the ethical codes rather than reflective practice to enhance individuals’ ethical sensitivities. To fulfill this gap, this thesis adopts ideas from reflective learning in the sense of ethical reflection. It also borrows examples from ethics teaching in health sciences to enhance senses of empathy and social responsibility of auditing students. The hypothesis of the study is that auditing students will not only acquire critical thinking skills and reflective judgement, but also enhance ethical sensitivity, senses of empathy and social responsibility.

4.3.5 Project-based Learning (PLT)

Project-based learning is autonomous learning which challenges students to learn from real-life experiences. Krajcik, Czerniak, and Berger (1999) defined project-based learning as the learning approach which “engages learners in exploring important and meaningful questions through a process of investigation and collaboration. Students ask questions, make predictions, design investigations, collect and analyse data, use technology, make products, and share ideas” (Krajcik *et al.*, 1999, cited in Frank, Lavy, & Elata, 2003, p.275). The main assumption of project-based learning is a connection between knowledge and practice (Scarborough, Swan, Laurent, Bresnen, Edelman, & Newell, 2004). Educators in this school of thought believe that the experience of dealing with projects engenders problem-solving skills, judgements and analysing skills (Arel, Hughes and Sander, 2011; Solomon, 2003). Students are challenged by problems and they take action on considering alternative ways to solve the problems and set their own activities to deal with the problems (Thomas, 2000, cited in Frank *et al.*, 2003, p. 275). Data and information are gathered from various sources including interdisciplinary knowledge. After this, students will analyse, synthesise and construct their own concepts and knowledge. This process is valuable for their learning because new knowledge is constructed through the connection between theories and practice through adult skills and reflection. Finally, students will be able to judge on how much they have learned, how well they communicate it and will discover a new knowledge by themselves (Solomon, 2003, p.1).

Project-based learning is essential for professional development. The reason is that this learning process promotes student learning by authentic experience. It also

allows students to gain a scientific process, autonomous learning and life-long learning. Adopting the principle of project-based to learning, students are able to identify questions, set up hypotheses, carry out an experiment, focus on finding alternative solutions, evaluate each alternative way and individually make a decision. Project-based learning does not only exercise problem-solving skills but also encourages critical and reflective thinking as well as professional scepticism. Students are trained to divide problems into sub-problems and try to solve them step-by-step, connecting with concrete knowledge. Students are stimulated to rethink underlying rationales, the effects on other people and to develop the motivation to work hard. Moreover, students have an opportunity to connect with global society. They have to access online databases and gather relevant information. At this stage, students can connect to the external environment not only from the classroom. At the end, they can also create new innovations or media such as art, music and visualization. These attributes are very important to professional development in the future.

Project-based learning has been applied in many disciplines including accounting. Educators who utilised this idea as a conceptual framework tended to enhance the critical thinking and reasoning skills of their students. For example, Beckett and Slater (2005) adopted the concept of project-based instruction to enhance the integrated learning of students who learn English as a second language. They designed two tasks comprising a planning graph and a project diary for the students. The students were assigned to work on the planning graph on their own and reflect their thoughts in the project diary. The findings reported that the students achieved their learning objectives. They clearly

acquired knowledge and precisely understood the content in English (Beckett & Slater, 2005).

Arel, Hughes and Sander (2011) applied project-based learning to develop the comprehension of accounting students regarding fundamental financial reporting. The researchers created a set of personal assignments, which was called “The Personal Financial Reporting Project or PFRP”. They attempted to integrate knowledge of accounting transactions, analysing transactions, recording general ledgers and preparing financial reporting which students had studied in the classroom with the real practice. The PFRP assignment established a set of accounting principles which were derived from the U.S. General Accounting Principles with a few exceptions. However, the new principles were different from IFAC accounting standards. The PFRP has five parts which assigned the students to make a list of their own assets and share the ideas with their friends. After that, students prepared their own opening balance sheet, identified the value of the assets, liability and equity. Then, they had to determine accounting policies. In part three of the assignment, students were assigned to establish a personal accounting system. Next, they had to prepare for comparative balance sheets and income statements. In this part, the students had to record monthly transactions, identify adjustments, record journal entries, and categorize accounting transactions into general ledgers. The next step was to prepare first drafts of financial statements such as balance sheets, income statements and statements of cash flow. Finally, they had to issue quarterly financial statements and hand in all their individual work to the teacher. The PFRP project was used in two universities in the U.S. over six years. The researchers collected data from the administered evaluation surveys as a quantitative research instrument containing five Likert scales and an open-

ended questionnaire as a qualitative research instrument to investigate feedback on the project. The results showed that the PFRP project was helpful for students. They improved their understanding of financial statements, articulation, depreciation, recording transactions and preparing financial statements. For example, a researcher noticed that the students could identify non-current assets included in their own financial statements, demonstrated how to calculate depreciations without referring to examples in the textbooks. This finding showed that the students also attained long-term retention of accounting principles (Arel *et al.*, 2011, p.789).

Practitioners also took advantage of the idea of project-based learning in terms of developing sustainable growth in learning, and enhancing a sense of social responsibility as reflective practitioners. For instance, Ayas and Zeniuk (2001) applied project-based learning to underpin transformative and organisational learning. According to Ayas and Zeniuk (2001), they attempted to enhance learning capacity and cultivate habits of reflective practice in practitioners in two companies by using projects. The researchers were interested in the idea that project-based learning promotes communities of reflective practitioners. They referred to the advantages of project-based learning, which encourage a sense of purpose in both short-term and long-term periods of time. In addition, project-based learning supports leadership, systematic and collective reflection and a community of practice. To this end, they used projects with two companies, the Ford Motor Company and Fokker Aircraft. The research results demonstrated that there were both insider and outsider collaborations among practitioners reflecting on what was happening. The outsider could help practitioners systematically reflect on the problems, increase their attention and attempt to solve problems within the group. Especially, in the Fokker

company, the action research could underpin the sustainable practice of reflection. The results demonstrated that practitioners in this company had inquiry processes, reflected on the problems and were able to solve them. Finally, they constructed new knowledge. Thus, project-based learning a crucial tool to develop the learning capacity of people, resulting in sustainable learning (Ayas & Zeniuk, 2001).

Compared to other learning theories such as experiential learning and reflective learning theories, project-based learning is predominant in terms of motivating students to share their ideas and collaborate with their peers. Within the project-based approach to learning, students participate in group activities. Students have an opportunity to help their peers finding solutions for specific problems. Group of students tend to significantly control their learning whereas instructors tend to play a role in guiding and advising students instead of managing the classroom (Solomon, 2003). As a result, students will gain “a sense of satisfaction” (Green, 1998, cited in Frank *et al.*, 2003 p. 276). This is in contrast to experiential learning and reflective learning theories where instructors tend to select and design experiential activities to encourage their students.

There might be a debate upon why the project-based learning is more essential to audit education than other learning theories such as Problem-based learning, Action-based learning and Collaborative Inquiry-based learning as the main ideas of these theories tend to assign students a task, allow students to investigate problems and figure out the solutions. These issues can be discussed as follows:

4.3.5.1 Problem-based Learning versus Project-based Learning

Problem-based learning⁴⁴ concerns a construction of knowledge, meta-learning and contextual learning. It highlights dealing with real-life problems of students (Frank *et.al*, 2003, p. 274). Problem-based learning is similar to project-based learning in terms of student-centred, active learning, teamwork and teacher's role. Both theories also originate from constructivism theory (*ibid*). However, problem-based learning has some limitations. Mills and Treagust (2003) claimed that problem-based learning has well-defined problems, limited time scale of the problems and limited range of activities (Mills & Treagust, 2003, p. 6). This might not be appropriate to the development of ethical sensitivity of auditing students because in practice auditors have to deal with complex, uncertain, unstructured problems. In problem-based learning, a set of problems seems to be too specific and structured. On the other hand, project-based learning is more directed to the application of knowledge (Mills & Treagust, 2003, p.8).

Project-based learning focuses on promoting various learning activities, varying complexity, multidisciplinary, integrated knowledge. Being professionals, auditors encounter tension from public expectation. They have to perform high quality of the audit engagement. Therefore, knowledge of accounting and auditing seems to be inadequate to deal with complex problems. Project-based learning stimulates students to find alternative solutions and take action by integrating subject matters such as finance, economics, ethics, morality and so on to solve complex problems. Complying with project-based learning theory engenders self-directed and integrated learning which is

⁴⁴ Problem-based learning is defined as "...being student-centred, taking place in small groups with the teacher acting as a facilitator, and being organised around problems." (Barrows, 1984, cited in De Graaf & Kolmos, 2003, p. 657)

similar to real practice. Moreover, project-based learning has more varying time scales (Mills and Treagust, 2003, p. 8). As discussed earlier, cultivating ethical sensitivity takes a long period of time, project tasks might be more effective as students are allowed to study in a longer period of time than problem-based learning. Students' learning schedules are not only restricted in the classroom, but can be also manipulated outside the classroom. For these reasons, adopting PLT in teaching and learning is possibly more effective for the audit professionals in the future.

4.3.5.2 Action-based Learning, Collaborative Inquiry-based Learning and Project-based Learning

Action-based learning⁴⁵, and Collaborative Inquiry-based learning⁴⁶ are similar to project-based learning in terms of adult learning, life-long learning and active learning. In fact, project-based learning is considered by some as subordinate to action-based learning (Lier, 2007). Both project-based and action-based learning encourage self-initiated learning by students. The central notion is that individuals can acquire deeper understanding through their strong motivation, autonomy and action. Even though project-based learning originates from action-based learning, there are three reasons for applying project-based learning in this thesis rather than action-based learning. First, project-based learning stresses a combination of theoretical content and tasks orientation towards a tangible goal (Lier, 2007, p. 49). It incorporates taking action through realistic projects and tasks. This is more specific and relevant to nature of the auditing profession

⁴⁵ Action-based learning is “an educational process where people work with others to tackle relevant, real-world issues as the way to learn and develop. Participants work in groups to take action to solve a problem and then learn from their actions (“Action-based learning best practice”, 2013, p. 26)

⁴⁶ Collaborative Inquiry-based learning is “a process consisting of repeated episodes of reflection and action through which a group of peers strives to answer a question of importance to them.” (Bray, Lee, Smith, & Yorks, 2000, p.6)

where auditors have to encounter complex situations in their work. Project-based learning also highlights the linkage between theory and practice which is vital in audit practice. Secondly, compared to action-based learning, project-based learning is more prominent in terms of social interaction and collaborate learning (ibid). As mention in Chapter 3, communication skills and collaborative skills are crucial in the auditing profession. Thus, this thesis assumes that adopting project-based learning theory might enhance these skills of audit students. Finally, project-based learning is a new version of action-based learning⁴⁷. Even though project-based learning has been adopted in Engineering education (Mills & Treagust, 2003) and English teaching (Beckett & Slater, 2005; Lier, 2007), research in audit education is likely to be scant. Therefore, it might be more interesting if audit educators could utilise concepts of project-based learning to develop their students.

Project-based learning markedly differs from collaborative inquiry-based learning in terms of the role of the tutor (Savery, 2015). Within collaborative inquiry-based learning, lecturers play vital role in controlling the learning activity and providing information whereas project-based learning encourages students to create their own learning activities. The inquiry-based and problem-based learning are similar in terms of limited learning activities. Students' learning atmosphere will merely occur in the classroom. As mentioned in a comparison between problem-based and project-based learning, the project tasks are more flexible and provide more range of activities. In this respect, this thesis considers project-based learning as one of the most appropriate

⁴⁷ There are other subordinated theories of action-based learning such as task-based, content-based, exploratory, experiential, English for Specific Purposes (ESP), Community-based language socialisation, Computer-assisted Language Learning (CALL) and Handlungsorientierter Unterricht (Lier, 2007, p. 48).

learning theories used in developing ethical sensitivity of auditing students. As mentioned in Chapter 3, case studies are important to enhancing the ethical aspect of auditing students. Thus, this thesis adopted the core concepts of the project-based learning theory to develop case studies for audit students in Thailand. The methods of case development will be explained in Chapter 7.

4.4 Other Concepts Related to Ethical Development of Auditing Students

This thesis focuses on nurturing ethical aspects of auditing students. Thus, this section aims to examine literature regarding the importance of ethical development in auditing and prior research related to ethical and moral development within accounting and audit education.

4.4.1 Audit Expectation Gap : The Main Reason for Ethical Development in Auditing

The main function of auditors is to lend credibility to companies' financial information. Moreover, at present, role of auditors has changed from the detection of error and fraud in accounting (Flint, 1988) to providing assurance (Bayou, Reinstein, & Williams, 2011) and value-added services (Rezaee, 2004). However, an increasing number of accounting and auditing scandals and failures of the big companies such as Enron, WorldCom and Arthur Andersen reflects that the audit expectations gap still exists. These affairs seriously affect public confidence. The public does not trust auditors' judgements and does not have confidence in auditors' competence (Rezaee, 2004). Also,

people do not believe in the accountability and credibility provided by auditors, as Rezaee (2004) stated:

“Unfortunately, an increasing number of financial restatements by high profile companies, coupled with bankruptcies of major companies caused by reported financial statement fraud and related audit failures, have eroded public confidence in the financial reporting process and audit functions. Restoring public confidence requires a considerable coordinated effort of all members of the accounting profession. ...”
(Rezaee, 2004, p. 134)

On the other hand, auditors have been more expected by public to behave as professionals who have integrity, honesty and ethics (Gray & Manson, 2011). The debate about auditors' professional judgements is still widely carried on in the business world. In terms of moral judgements, auditors are expected by the public to exercise moral reasoning, which is defined as an individual's perspective on what is “good” or “bad”. The audit profession has codes of ethics in the accounting profession that serve as a predominant framework and guideline of actions. This is a distinct feature of the profession compared to other professions. However, there is no guarantee that the individual auditor will always adhere to the ethical codes (Cooper *et al.*, 2008). On the other hand, it is difficult to control any unethical behaviour because acting against moral codes sometimes does not result in explicit penalties. For example, cheating in an examination is unethical but is not illegal. There is also no penalty if this fraud is not detected. Therefore, people might not take action on unethical behaviour because there is no explicit punishment. For this reason, accountants and auditors tend to ignore right or wrong behaviours and even desist from reflecting on ethical issues. Nevertheless, this argument cannot be an excuse for not taking action on fraudulents or no punishment for unethical behaviours. In contrast, the development of ethical aspects of audit

professionals should be more emphasised in order to avoid ethical dilemmas and accounting scandals. Moreover, exercising ethical sensitivity and moral reasoning within the individual is more important than just promulgating rules or regulations of ethical codes. As Bampton (2004) stated:

“However, perhaps the important question is not whether accounting ethics are more or less important than everyday ethics, but rather the development of an awareness of ethical issues. Accountants need to be aware that ethics are implicit in all aspects of their working life, and for this reason the development of moral reasoning is essential in order to enable them to recognise ethical issues, and to apply ethical principles in their decision-making.” (Bampton, 2004, p. 22)

This urgent issue has been debated among the audit professionals. Both academics and practitioners attempt to reduce the ethical misconduct of auditors. In terms of teaching audit in higher education, it is necessary to cultivate the sense of ethics among audit students as discussed in Section 4.1 of this chapter. In order to develop ethical sensitivity of auditing students, it is important to understand main concepts of ethical sensitivity and moral reasoning. Furthermore, previous studies in accounting and auditing disciplines should be reviewed. Thus, the next section will briefly investigate in these concepts and will examine prior research related to the development of ethical sensitivity and moral reasoning in both academic and pragmatic areas.

4.4.2 Ethical Sensitivity and Moral Reasoning: A Review

Ethical sensitivity is the ability of professionals to recognize ethical dilemmas (Shaub, 1989). Professionals must also have ability to apprehend and react to ethical circumstances, as Weaver, Morse and Mitcham (2008) said:

“Ethical sensitivity....enables professionals to recognize, interpret and respond appropriately to the concerns of those receiving professional services.” (Weaver, Morse, & Mitcham, 2008, p. 607)

Ethical sensitivity is crucial in the audit profession. The main reason is that the audit profession has a “duty to society” (Bampton, 2004) as auditing involves an altruistic service (Shaub, 1989) which not only lends credibility to a client’s financial statements but also provides assurance to the public in general. In an accounting sense, ethical sensitivity means the “expectation of professional practice” and the “recognition of an ascription of value to the ethical dimension in a particular situation (Shaub, 1989, p. 611).”

Weaver *et al.*, (2008) carried out valuable research which contributes to the understanding the concept of ethical sensitivity in professional practice. Even though philosophers have given various definitions of ethical sensitivity, Weaver *et al.* (2008) categorised three key attributes of ethical sensitivity: moral perception, affectivity and dividing loyalties (Weaver *et al.*, 2008, p. 607). Moral perception is an individual’s consciousness and ability to discriminate between or identify ethical dilemmas. Moral perception occurs when a person recognises or perceives a sense of ethics. At this stage, he or she will awake or become concerned about ethical dilemmas. For example, when an auditor encounters an ethical dilemma and he or she recognises that social values depend on this issue, then, he or she might advise the client to avoid this particular issue. However, there are some variables influencing the ability to identify moral perception such as the values of society, an individual’s ego processing, an individual’s physiology (seeing, hearing and memory) and personal values and reasoning. Another attribute is affectivity, which is an individual’s spontaneous attitudes. This attribute concerns an

individual's viewpoints concerning ethical dilemmas. If a person has an intuitive affectivity, he or she will be able to anticipate the consequences of the dilemmas. Affectivity might be more effective if a person has had prior experiences. At this stage, he or she will respond to the dilemma by informing or giving suggestions to clients about the relevant moral conditions. The third attribute is dividing loyalties, which refers to an ability to interpret, justify and reflect on a moral decision. Such an interpretation leads a person to investigate what has happened in the dilemma. At this stage, interpretation will encourage a process of critical thinking. However, it depends upon the individual's language as to how it will impact on emotions and perceptions. At the same time, the reflexivity process occurs. It is a process of flexible and resourceful thinking. Reflexivity leads to a person to be concerned about others' feelings and about service rules. It impacts on self-awareness, the knowledge of discipline and self-care practices. Consequently, these three attributes construct recognition, understanding and evaluation of the ethical situation of an individual.

According to Weaver *et al.* (2008), exercising ethical sensitivity is essential for professionals. Normally, moral perception alone cannot occur and spontaneous awareness or intuition is not adequate. In addition, ethics is subjective and it is just an abstract concept. The most important way to enhance ethical sensitivity is to evolve from divided loyalties. Knowledge such as expert opinions, policies and a code of ethics can be used as a framework for interpretation and reflexivity. Rethinking moral perception, affectivity and divided loyalties arouses a person to analyse certain aspects in depth. As a result, this method develops critical judgement and effective evaluation on ethical issues.

Moral reasoning involves individuals' reasons for morality, which are defined as an individual's definition of what is "good" or "right" (Thorne & Hartwick, 2001). In other words, moral reasoning is associated with the process of an individual's judgement with regard to moral standards (Bampton, 2004). There is an overlap in the meanings of ethics and morality (Bampton, 2004). Some academics claim that ethics and morality are interchangeable (Singer, 1991 and Jackson, 1996, cited in Bampton, 2004). Bampton (2004) argued that morality tends to be involved with a person's behaviour, identifying what is moral or immoral behaviour. Meanwhile, ethics tends to focus on providing guidance or a framework for individuals' behaviour. It suggests what people should do to avoid being misleading.

Many philosophers have constructed theories regarding moral reasoning of humans. For example, Piaget (1932) was one of philosophers who studied moral reasoning. His model of learning and cognitive development (as mention earlier in Section 4.3.2) can also explain the moral judgement of children and classified four stages of moral development (Bampton, 2004). Later, Kohlberg (1984) (cited in Thorne and Hartwick, 2001) expanded Piaget's (1932) theory to include adult moral reasoning. He established a "Cognitive-developmental theory" which assumed that the concept of ethics and morality of each person depends upon his or her level of moral development. According to Kohlberg (1984), the level of moral development influences the way a person behaves and responds to moral dilemmas.

Moral development is divided into three levels: pre-conventional, conventional and post-conventional. The first level is the pre-conventional level, Kohlberg (1984)

noted that a person takes action because of physical consequences such as rewards and penalties. At this level, a person tends to be concerned with rules and social expectations. The second level is the conventional level, it refers to a person who acts because of his or her own needs. At this level, a person tends to perceive the social groups and the expectations of others. The third level is the post-conventional level, which conforms to the human rights and rules in society. A person makes a decision or takes action because of ethical principles and fairness. At this level, a person tends to become aware of self-esteem from the regulations and expectations of others (Bampton, 2004).

Moreover, Rest (1984, 1994) continued Kohlberg's work to develop a test of moral reasoning, which is called a "DIT-Defining Issues Test" (Thorne & Hartwick, 2001). It attempted to assess the level of moral capacity of a person. Later, Thorne (2000) carried out research based on Rest's DIT test. She developed a measurement of moral reasoning of accounting students. Her work motivates educators to study ethical and moral development in the accounting and auditing professions. Concepts of ethical sensitivity and moral reasoning have been broadly utilised by educators up until now, including within the accounting education arena. The next topic will present previous studies regarding ethical and moral development in accounting and auditing.

4.4.3 Ethical and Moral Development in Accounting and Auditing

Ethical development is important for audit practitioners. Despite the fact that auditors always encounter ethical dilemmas in the real situations, it is crucial for them to be aware of the ethical issues before providing opinions (Ponemon & Gabhart, 1994, p.101). The ethical dimension is rarely considered when auditors conduct their profession

(Helliard & Bebbington, 2004). Bampton (2004) noted that an individual has personal moral traits such as honesty, kindness and reliability. However, it seems to be inadequate if a person just knows the rules without putting them into practice, as he stated:

“It is the virtues that give the auditor the inclination to act according to a commitment to ethical behaviour. In other words, it is not enough for the auditor to know how he should act but he needs to possess the virtues that will make him act this way.” (Bampton, 2004, p.27)

Developing ethics and morality, auditors should take action on ethical dilemmas. Many researchers have agreed with this alternative way. They believed that it might result in a higher level of ethical and moral judgement. For example, Helliard and Bebbington (2004) suggested three possible ways to enhance the ethical decisions made by audit practitioners. Firstly, there should be a discussion of the consequences of any action and the means to solve any ethical dilemmas; this is called “Consequentialism”. Secondly, there should be a motive for the action emphasising the well-intentioned behaviour of the auditors; this is called “Motivism”. Finally, there should be a debate on the inherent rightness of the action; this is called “Right action on deontological grounds” (Helliard & Bebbington, 2004, p. 13).

Jeffrey, Dilla and Weatherholt (2004) studied the impact of ethical development and cultural constructs on auditor judgement in Taiwan; their research examined auditors’ responses to ethical dilemmas. The first dilemma was related to a situation of concealing an irregularity and the second dilemma was related to a situation of accounting fraud. They developed these two cases and sent them to Taiwanese auditors in several public accounting firms. The materials were drawn from the two cases, the Defining Issues Test

(DIT), a teaching set, an instrument to measure attitudes, and questions about the importance of the code of ethics. The results showed that auditors tended to be concerned with any infringement of the ethical code and were more likely to be concerned with violations of ethical standards when they were associated with close friends rather than with relatives.

Auditing educators are also interested in finding a way to develop the ethics and morality of students (Cooper *et al.*, 2008). It is noted that ethical development should be introduced to audit students in order to prepare them to enter the audit profession (Earley & Kelly, 2004; O’Leary, 2009). Consequently, in the future, these students will become competent auditors who are confident to deal with inherently unethical pressure in the real practice (O’Leary, 2012; Ward, Ward and Deck, 1993, cited in Cooper *et al.*, 2008).

When teaching ethics in accounting, educators attempt to cultivate ethical sensitivity and decision-making in the students (Cooper *et al.*, 2008). For example, Apostolou *et al.* (2013) devised a framework for the pedagogy of accounting ethics. They suggested a framework for the design of an ethical curriculum in accounting. According to Apostolou *et al.* (2013), teaching ethics in accounting has objectives to enhance communication, reflection, moral reasoning and awareness of social responsibility. To enhancing ethical behaviour, audit educators should set up objectives to attain ethical knowledge, increase ethical sensitivity and ethical awareness, develop moral reasoning, improve ethical judgement and demonstrate ethical behaviour.

However, there has been a dispute concerning the problem of teaching ethics to accounting students. Chan and Leung (2006) (cited in Cooper *et al.*, 2008) claimed that accounting students are likely to have varying abilities when it comes to identifying ethical issues. However, there is no relationship between the ethical sensitivity and the moral reasoning of students, which means that students can determine what is right or wrong, but they cannot act ethically because they are not able to identify ethical issues. As a result, such students have a negative attitude toward ethics teaching and fail to develop ethical sensitivity. Nevertheless, academics believe that promoting ethical concepts and applications might solve this problem. In particular, encouraging students to encounter complex scenarios can help. It has been noted that case studies are a powerful and popular method in teaching ethics because they motivate students to exercise their knowledge, skills and personal values.

One good example of using case studies to enhance the ethics and morality of accounting students is research by Cooper *et al.* (2008). The researchers developed a toolkit under the framework called “the Ethics Education Framework (EEF)⁴⁸” to promote ethical concepts (Cooper *et al.*, 2008, p. 406). Accordingly, a set of video scenarios was developed aiming to enhance four stages of ethics learning: ethical knowledge, ethical sensitivity, ethical judgement and ethical behaviour. The video scenarios show five real cases related to financial planning, the environment, regional culture, internal audit and public practice. The toolkits encouraged the students to discuss

⁴⁸ The Ethics Education Framework (EEF) refers to the development of ethics and ethical sensitivity of accounting students before they enter to the accounting professions. The EEF emphasises on enhancing ethical judgement, decision making skills and ethical behaviour of students through ethical trainings. It also focuses on taking action and ethical practice of practitioners in post-qualification education and continuous professional development after graduation (Cooper *et al.*, 2008, p. 406).

the ethical threats and to try to find alternative ways of dealing with each ethical dilemma. The research findings demonstrated that accounting students had positive views on learning ethics in the accounting profession after using the toolkits. However, there were some comments on ethical sensitivity, ethical judgement and ethical behaviour. One comment on ethical sensitivity was that courses in ethics overly emphasised the theoretical aspects and lacked any connection with accounting subjects. As a result, students could not make a link between ethical theories and real situations. Moreover, students commented on the ethical judgements that they often could not deal with because of ambiguous ethical issues. Sometimes, it is difficult to make a decision because there are many alternative ways of solving the issues. This leads to the students being confused. Lastly, the students commented on the ethical behaviour that there was no guarantee that an individual's behaviour would change after using this toolkit. The reason for this was that each person might act differently depending on their own individual moral reasoning and situation. The most important thing that the students gained from this activity was ethical awareness, which they accepted was a useful tool for dealing with ethical issues in the real world (Cooper *et al.*, 2008).

Another example is the recent research of O'Leary (2012), which investigated ethics teaching for trainee auditors and assessed the effectiveness of ethical teaching. He applied active learning, defined as participative learning and comprising multiple learning activities such as a class discussion and group assignments to enhance ethical decision-making. The results showed that auditing students had positive perspectives regarding this intervention. They had more ethical responses. In addition, this research came to the conclusion that active learning techniques are more effective than passive learning ones.

4.4.4 A Consideration on Developing Case Studies as an Instructional Tool to Enhance Sensitivity of Auditing Students

The discussions above reached a conclusion about ethical and moral development in accounting and auditing. Both academics and practitioners are interested in the enhancement of ethics in the accounting professions. There is also an expectation that the moral behaviour of auditors will evolve (Abdolmohammaddi, Read, & Scarbrough, 2003). However, there is still a problem in applying ethical theories to real practice in two particular areas. First, as mentioned in Chapter 3 that case studies can be a useful tool in developing moral reasoning and ethical sensitivity in accounting and auditing. In particular, complex case scenarios might encourage reflection (Beattie *et al.*, 2012), analysis and critical thinking (Stevens, 1996). However, there is a dispute concerning ambiguous alternatives of ethical case studies which might cause confusion of students (Maltby, 2010). Secondly, ethical judgement depends upon each situation and the individual's moral reasoning. Thus, there is no guarantee that participants will change behaviour after using case studies (Cooper *et al.*, 2008). For these reasons, educators should clarify learning objectives and provide rich information when they develop case studies. Nevertheless, at least case studies can be an alternative way of learning, encouraging both learners and practitioners to attain ethical sensitivity. Also, case studies can be an effective tool to engage with ethical dilemmas in accounting and auditing.

4.5 Conceptual Framework

This thesis employed learning theories which are relevant to enhancing auditing learning. There are four theories advocating the development of holistic attributes of auditing students: the Transformative learning theory, the Experiential learning theory,

the Reflective learning theory and the Project-based learning theory. The following table summarises dominant attributes and overlapping of the employed learning theories.

Table 4.4: Summary of Dominant Attributes and Overlapping of Learning Theories with regard to Enhancing Auditing Learning⁴⁹

Dominant features	Transformative Learning Theory (TLT)	Experiential Learning Theory (ELT)	Reflective learning Theory (RLT)	Project-based Learning Theory (PLT)
1. Require prior knowledge / experience	✓	✓	-	-
2. Transform individual's behaviour / viewpoints	✓	-	✓	-
3. Focus on enhancing professional skills	-	✓	-	✓
4. Focus on enhancing professional ethics	✓	-	✓	-
5. Focus on autonomy learning / life-long learning	✓	✓	-	✓
6. Focus on bridging gap between theory and practice	-	✓	-	✓
7. Require action learning	-	✓	-	✓
8. Require interpretation and revision	✓	-	-	✓
9. Enhance problem solving	-	✓	✓	✓
10. Construct new knowledge	✓	✓	✓	✓
11. Enhance critical thinking	✓	✓	✓	✓
12. Enhance professional judgement	✓	✓	✓	✓

According to Table 4.4, the Transformative learning theory involves transcendentalism. The notion of this theory is accepted as a broad idea of adult learning. The individual acquires new knowledge from the interpretation and revision of their experiences whereas Experiential learning emphasises student-centred and action learning. It is believed that the learning process occurs when an individual encounters a

⁴⁹ This table is based on the literature review – Chapter 4.

situation. This experience leads that person to critically think, take action and solve problems. Reflective learning theory focuses on analysing one's actions. The learning process occurs when a person analyses, construes and evaluates problems. Finally, that person might change or transform into being more critical. On the other hand, project-based learning concentrates on self-learning and on the integration between theories and practice.

Figure 4.5 demonstrates a combination of Transformative learning theory, Experiential learning theory, Reflective learning theory and Project-based learning theories which is possible to enhance holistic attribute of auditing students. There are three dimensions of consideration. First, concepts of the four theories can be applied to enhance academic capability of students. Transformative learning theory can be employed to develop autonomous learning as discussed in Section 4.3.1. Meanwhile, Experiential learning theory can be applied in encouraging students to construct a new knowledge through taking action on experiential activities (e.g. Reynolds and Vince, 2006; Siegel *et al.*, 1997). The concept of reflective practice results in a construction of new knowledge and individuals' ways of knowing (e.g. Lucas, 2008). In addition, an application of Project-based learning contributes to deeper knowledge acquisition and integrated understanding of content (Frank *et al.*, 2003).

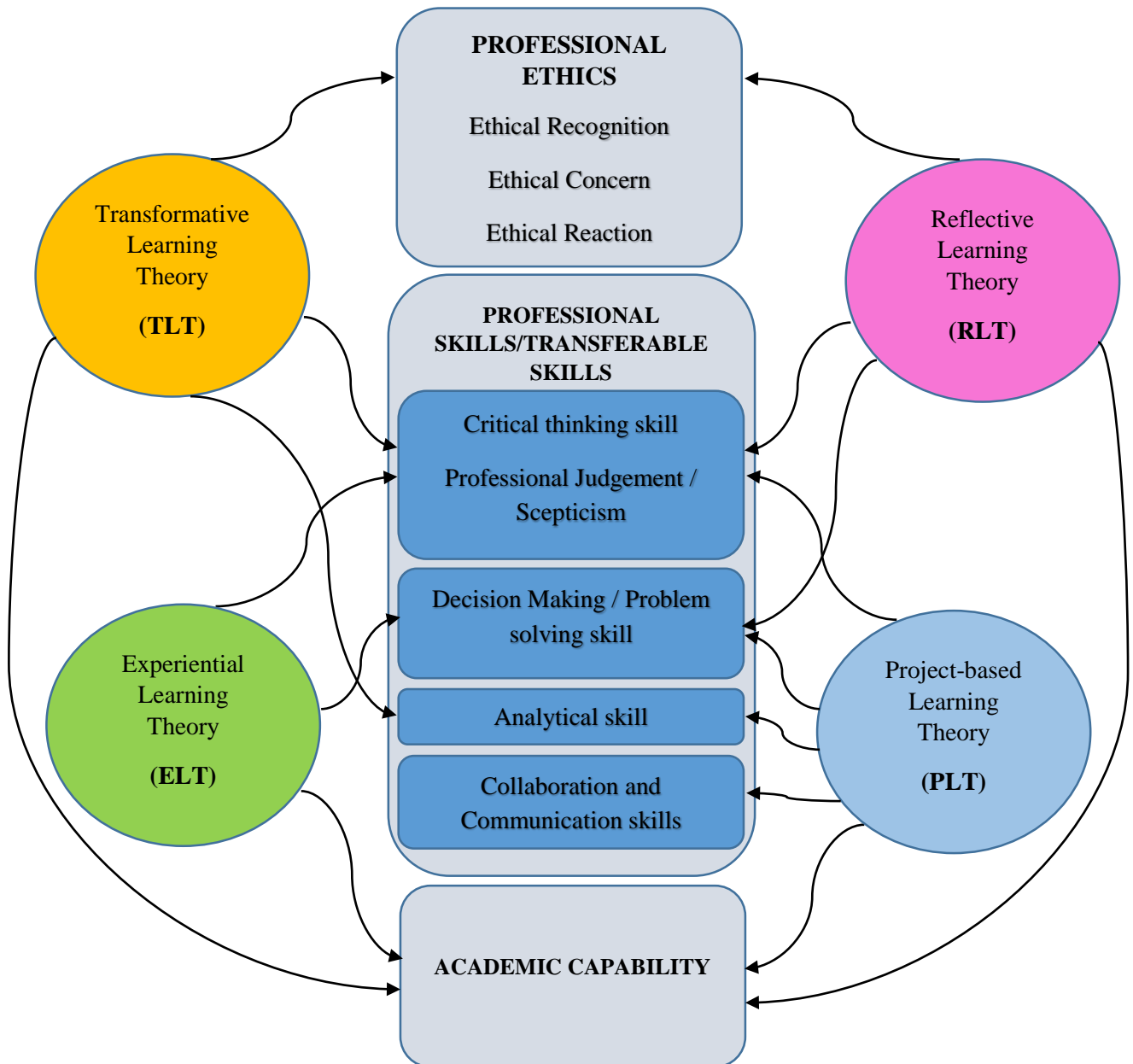
Secondly, a combination of the four theories can strengthen audit professional skills or transferable skills of students. Predominantly, these four theories are crucial to enhance critical thinking skill⁵⁰ which is vital to developing "Ideology of

⁵⁰ For example, empirical evidence of Gifford and Howe (2012) who applied ELT to enhance critical thinking skills of audit students in the U.S.

Professionalism” within students. Furthermore, these four theories are effective in developing professional judgement and professional scepticism of audit students. In particular, concepts of Experiential learning theory, Reflective learning theory and Project-based learning theory highlight encouraging students to encounter complex problems and take action to solve problem. This also results in the higher level of decision making and problem-solving skills of students. In addition, Transformative learning theory and project-based learning theories play important role in enhancing analytical skill of the students. Moreover, the project-based learning can be applied in developing collaboration and communication skills of auditing students. Therefore, a combination of these four theories possibly fulfill demands for professional skills improvement in audit education as summarised in Chapter 3.

Thirdly, Transformative learning theory and Reflective learning theory dominantly can be underpinning theories to develop the ethical sensitivity and moral reasoning of auditing students. Transformative learning encourages students to think about causes and effects of ethical issues. It also promotes critical understanding of moral reasoning, whereas reflective practice encourages students to express their moral thoughts through speaking and writing. This learning strategy also encourages students to become aware of their ways of knowing of ethics. Finally, students might be able to change ethical behaviours of individual students in the future (Lucas, 2008). For these reasons, this thesis combines concepts of the four learning theories as a conceptual framework for the development of an instructional intervention for auditing learning assuming that auditing students will thereby enhance their professional knowledge, skills and ethics.

Figure 4.5: Summary of Learning Theories Employed for Enhancing Holistic Attributes of Audit Students⁵¹



⁵¹ This figure is based on the literature review – Chapter 4. The arrows present relationships between each learning theory and students' attributes. The figure shows that the four learning theories contribute to enhance academic capability of students. In addition, they can be employed to improve critical thinking skill, professional judgement and scepticism of students. Experiential learning theory, Reflective learning theory, and Project-based learning theory can be applied to enhance decision making and problem solving skills. Transformative learning and Project-based learning theories also contribute to develop analytical skill, whereas Project-based learning theory can support the development collaboration and communication skills of students. Transformative learning and Reflective learning theories can support the development of professional ethics. With regard to the literature review, these theories can encourage ethical recognition, ethical concern and ethical reaction within individual students.

4.6 Summary

This chapter has gathered literature which is relevant to the theories and concepts regarding the enhancement of auditing learners. It emphasises the development of holistic attributes (knowledge, skills and ethical aspects) of auditing students. Auditors are required to perform to a high standard. However, accounting scandals still emerge in the business world demonstrating loopholes in accounting and in the audit profession. In particular, the ethics of auditors need to be improved. This thesis is interested in developing three aspects of students comprising academic ability, professional skills and the ethical aspect, in particular. The literature and empirical evidence demonstrate that learning theories such as Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) influences transformation and acquisition of a new knowledge through students' motivation, action and experience. Mostly, the selected theories emphasises process of adult learning and life-long learning which is very crucial in developing holistic attributes of audit profession. For this reason, the combination of these learning theories is assumed to be beneficial in developing audit education. The next chapter will explain the research methodology and methods used in this thesis. It also provides information of the research process, data collection and significant research planning.

CHAPTER FIVE

RESEARCH METHODOLOGY AND METHODS

5.1 Introduction

This chapter explains the research methodology, research design and methods which are used in this thesis. The chapter is divided into three main sections. The first section is a consideration of the research methodology regarding research paradigm. In this section, research paradigms such as ontological, epistemological, methodological assumptions are discussed. In addition, Kuhn's (1970) thinking and Laughlin's (1995) Middle-range thinking are considered to locate a position of research methodology of the thesis. Furthermore, there is a discussion on embracing the qualitative research approach, in particular case study and action research methodology to enhance audit education. The second section is the description of the research design and methods. This section explains the rationale for adopting the ADDIE concepts into the instructional development. Research procedure and durations, research processes, data collection process, data analysis, ethical considerations and limitations are explained. Finally, the last section provides a summary of research methodology and methods.

5.2 Research Paradigms

5.2.1 Philosophical Assumptions

Research is intellectual discovery process which is potential to transform knowledge and insight into the world around human beings (Ryan, Scapens, & Theobald, 2002; Saunders, Lewis, & Thornhill, 2009). Mouly (1978) defined research as a

systematic way to solve problems. In addition, the research process is important for human to acquire advanced knowledge. Mouly stated:

“Research is best conceived as the process through the planned and at dependable solutions to problems through the planned and systematic collection, analysis and interpretation of data. It is an important tool for advancing knowledge, for promoting progress, and for enabling man to relate more effectively to his environment, to accomplish his processes, and to resolve his conflicts.” (Mouly, 1978 cited in Benke & Street, 1992, p.33)

The nature of research engages in an explanation of research methods, data collection process, together with a discussion on meaningful results. Eventually, the researchers are able to conclude their findings and determine whether the research procedure can answer research questions or not (Saunders *et al.*, 2009). However, knowledge acquisition of human beings depends upon an individual's perspectives and their assumptions about the world which are formulated as a paradigm, or a way of thinking (Hatch, 2002). This is the starting point to find the answers to problems that question or discover new things. Therefore, it is important to researchers reflect on the way they view the world, what they want to know, what they are going to investigate and how can they solve the problems before carrying out the research. In addition, philosophical choices should be explained and alternative choices which they do not have employed in the research should be defended. To this end, researchers need to posit research paradigms such as ontological, epistemological and methodological assumptions and constructed a research framework to pursue the research.

In social science, a paradigm of research is defined as a way to investigate phenomena in society. A research paradigm is a systematic notion of research which

paves the way for an achievement in reality and knowledge (Saunders *et al.*, 2009). The paradigm is a conceptual framework which represents researchers' perspectives on vision and a view of the world. Ontology refers to the study of existence and is involved with what researchers discern about reality. It focuses on the question of "What is a nature of knowledge and reality?". In this sense, researchers might perceive that reality is objectivist (social entities independently exist from social actors) or reality is subjectivist (social entities can be understood by individuals who attach to social phenomena) (Saunders *et al.*, 2009).

Epistemology deals with researchers' notions about knowledge. It concerns how researchers view reality of ontology and reflect on the accuracy and sustainability of the constructed knowledge. Epistemological philosophy tends to question on "What can be known?" and "What is the relationship between knowers and knowledge?" (Hatch, 2002). For example, positivists assume that researchers and knowledge are independent. In order to achieve research objectives, researchers will not attach to research settings aiming to avoid bias in conducting research. On the other hand, interpretivists assume that researchers and research settings are dependent. They have to interact with the environment to gain knowledge from social phenomena. The interpretivists believe that humans always have an inherent bias. Thus, it is impossible to eliminate bias in embarking research.

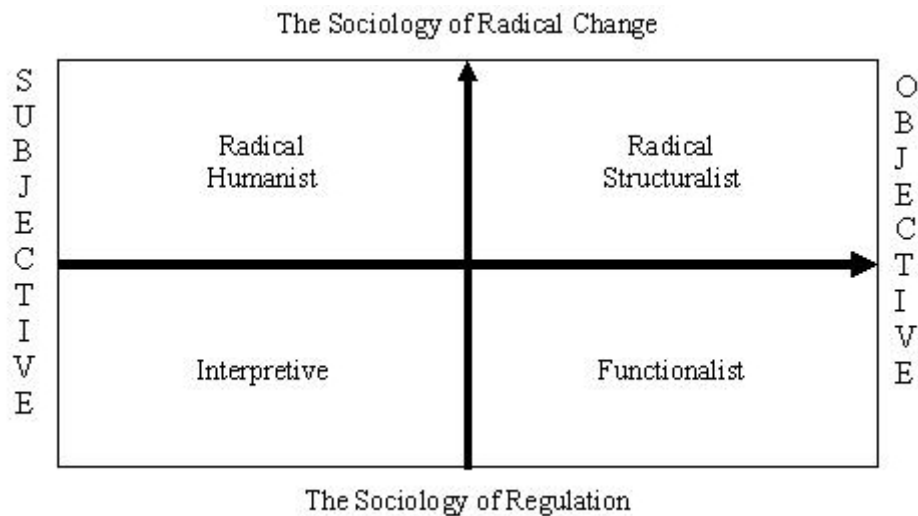
Methodology is defined as process of doing research. (Ryan *et al.*, 2002). It engages in the question of "How researchers pursue their study to acquire knowledge and reality". However, research methodology has different meanings from research methods

because the methods refer to particular techniques applied in conducting research such as statistical techniques, data collection process and so on, whereas methodology tempts to explain ontological and epistemological assumptions of research (Ryan, *et.al*, 2002). Tomkins and Groves (1983) argued that methodology and methods, which researchers adopted in their research, depend upon nature of social phenomenon which they intend to examine. Research methodology and methods are typically influenced by ontological and epistemological assumptions (Tomkins & Groves, 1983, cited in Ryan *et al.*, 2002, p.35). Thereby, researchers need to “sign up” which research paradigm they hold on to organise methodological approach (Ryan, *et al.*, 2002).

5.2.1.1 Social Science Research Paradigms

In social science, there have been many philosophers who acknowledged ontological, epistemological and methodological assumptions, for instance Burrell and Morgan (1979), Laughlin (1981), Laughlin (1995), Lowe (2004), Laughlin (2004), Roslender (2013) and so on. One of them is Burrell and Morgan (1979) who proposed four research paradigms to explain philosophical assumptions of research in social science (Laughlin, 1995).

Figure 5.1: Burrell and Morgan's Four Paradigms for the Analysis of Social Theory



(Burrell & Morgan, 1979, p. 22)

According to Burrell and Morgan (1979), there are four research paradigms, expressed through a two-by-two matrix (dimensions), of theoretical and methodological choices for the conduct of empirical research in social science (see Figure 5.1). They assumed that the nature of society has two dimensions: subjective dimension and objective dimension. Four paradigms comprise Radical Humanist, Radical Structuralist, Interpretive and Functionalist. Researchers in the Radical Humanist paradigm have subjective and critical perspective. They seek to change society. Whilst, researchers in the Radical Structuralist paradigm believe that the world exists and the relationships within societies can be explained. So, they seek to provide explanations of structural relationships within the context of social formations (p.34). Interpretive researchers believe that reality is socially constructed through human interaction. Therefore, they try to make sense of the social world, whereas Functionalist researchers have objective and realist views of the world. They believe that the social world can be identified and

measured. Thus, they often apply methods of natural sciences to study (Burrell & Morgan, 1979).

Even though Burrell and Morgan's (1979) research paradigms are very popular among social science researchers, there are some philosophers who disagreed with them. For instance, Chua (1986) and Laughlin (1995) argued that all notions of social science should not strictly have two dichotomies (Subjective or Objective) (Maatoug, 2014, p. 114). On the other hand, they believe that societies and individuals can be changed and transformed by human actions (Bhasker, 1998, cited in Maatoug, 2014, p. 118). The researchers' choices and evaluation paradigms could not be solely justified on rational scientific grounds (Chua, 1986, p. 626). Interpretation and rationalisation are needed in identifying the research paradigm (Kuhn, 1970, p. 44). Therefore, these philosophers tried to explain research paradigms by using more than two dichotomies.

5.2.1.2 Kuhn's (1970) Thinking

Kuhn (1970) suggested five scientific paradigms in social science comprising of positivist, postpositivist, constructivist, critical/feminist, and postconstructuralist (Hatch, 2002). The characteristics of each research paradigm were presented as follows:

Table 5.1: Characteristics of Kuhn's (1970) Research Paradigms

Types	Ontology	Epistemology	Methodology	Products
1. Positivist	Reality is out there to be studied, captured and understood	The world is really ordered and knowers are distinct from knowledge	Experimental, quasi-experimental, surveys correlational studies	Facts, theories, laws and predictions
2. Postpositivist	Reality exists but is never fully understood,	Approximations of reality; Researchers are data collection instrument	Precisely defined qualitative methods, frequency counts,	Generalisations, descriptions, patterns and grounded theory

Types	Ontology	Epistemology	Methodology	Products
	only approximated		low-level of statistic techniques	
3. Constructivist	Multiple realities are constructed	Knowledge as a human construction; Researchers and participants co-construct understandings	Naturalistic qualitative methods	Case studies, narratives, interpretations, reconstructions
4. Critical/ Feminist	The apprehended world makes a material difference in terms of race, gender and class	Knowledge is subjective and political; Researchers' value frame inquiry	Transformative inquiry	Value mediated critiques, challenge existing power structures and promote resistance
5. Poststructuralist	Reality is created within human's mind to ascribe meaning to a meaningless universe	There is no "Truth" to be known; Researchers examine the world through textual representations of it	Deconstruction; Genealogy; Data-based, multivoiced studies	Deconstructions; Genealogies; Reflexive, polyvocal texts

(Adapted from Hatch, 2002, p. 13)

According to Kuhn's (1970) scientific paradigm (see Table 5.1), ontological assumption of Constructivism refers that the world is universal and absolute realities are impossible. On the other hand, multiple realities exist and are implicitly unique. Realities are understandable and can be formed by researchers' mental construction. Knowledge can be constructed by local and specific experience of individual (Guba & Lincoln, 1994, cited in Hatch, 2002 p. 15). In terms of epistemological assumptions, constructivists believe that a construction of realities originates from individuals' interests and knowledge is formed by symbolic interaction. Thus, researchers' understandings of the world are based on what they view as the truth or fact. Researchers play a role as participants of their studies. For this reason, it is impossible to work separately from research settings. Consequently, being a part of the social phenomena, the researchers will gain subjective reality from their investigation (Mishler, 1986, cited in Hatch, 2002,

p. 15). Constructivists apply naturalistic qualitative research as their methodology to pursue the research. Mostly, they will spend time on interviews and observation in natural settings. Subsequently, constructivists will attempt to construct and make sense of realities in the world through hermeneutic practice. Eventually, knowledge will be acquired by an interpretation of the researchers (Hatch, 2002). Knowledge constructed from the constructivist paradigm is typically presented in a form of case studies or narratives. In addition, descriptions and interpretations are main parts of research process.

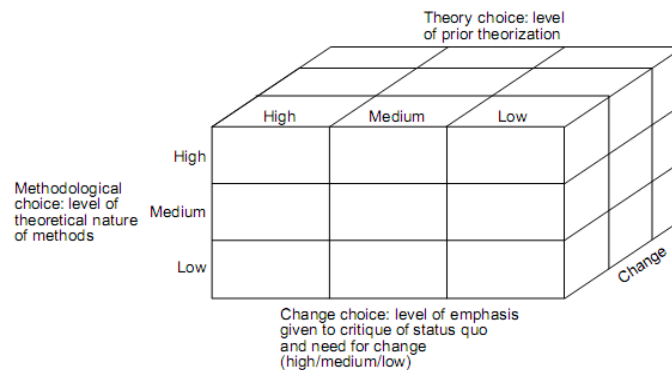
This thesis aims to understand significant problems of audit instruction in practice. In addition, it seeks to innovate an instructional intervention to develop holistic attributes of auditing students. In particular, it aims to enhance ethical sensitivity of the students. Therefore, it is important to gain deeper insights into the problems and understand students' attitudes and interactions towards the instructional intervention. Considering the four paradigms of Burrell and Morgan (1979), this thesis is posited as being of the "Interpretive" paradigm as it aims to make sense of the problems of audit instruction in Thai universities. Considered through the lens of Kuhn's (1970), this thesis is posited as aligning with concepts of the Constructivist paradigm. The ontological assumption of this thesis assumes that reality is subjective. In this respect, this thesis mainly aims to clarify and tease out problems, analyse practitioners' requirements and develop a set of instructional instruments to enhance auditing learning. Thus, the researcher has to involve in and interact with the phenomena (Denzin, 1970 cited in Chua, 1988 p.61) by acting as a participant in learning and teaching environment in the universities. In terms of epistemological assumption, this thesis views that knowledge can be constructed if the researcher could understand problems of audit instruction in Thailand (a social

phenomenon). Thus, the researcher becomes a part of research environment. The findings will depend upon the research setting. Being involved with an academic (social) situation, the researcher will gain experience and have an opportunity to reflect, interpret the data. Eventually, he or she will enable to construct a new knowledge therein (Chua, 1988).

5.2.1.3 Laughlin's (1995) Middle-range Thinking

Richard Laughlin (1995) proposed “the Middle-range Thinking” which evolved Burrell and Morgan's (1979) thoughts. He viewed that dimensions for theoretical and methodological choices should be considered by three clusters: low, medium and high, together with three dimensions to locate ways of seeing: theory, methodology and change (Laughlin, 1995). Therefore, his Middle-range thinking model becomes a three-by-three matrix (see Figure 5.2).

Figure 5.2: Dimensions on the Choice Process for Empirical Research



(Laughlin, 1995, p. 68)

The theory dimension refers to a coalition between prior theories that can be embraced to the empirical investigation and ontological assumptions about its nature (Laughlin, 1995). The methodology dimension refers to theories of research methods

which are applied and the roles of the researchers in the empirical enquiry (Roslender, 2013). Predominantly, Laughlin added the change dimension in the Middle-range thinking and acknowledged levels of change in social situations. Putting a position of the change choices depends on researchers' attitudes toward status quo and their requirement to change in both organisational and social situations. In addition, Laughlin (1995) mentioned key characteristics of alternative school of thoughts which are valuable for accounting empirical investigations (see Figure 5.3 and Table 5.2).

The High-high-low designation is likely to be reflective of a quantitative research approach. Researchers in this school of thoughts are positivist, realist, instrumentalist and conventionalist (see Figure 5.3). The followers in this group believe that the world's reality is existing and distinct from researchers (Laughlin, 1995, p. 76). Also, theories are definable and constructed hypotheses can be tested. Researchers play the role of observers. They work independently from research settings. Mostly, collected data is analysed by using statistical techniques. Researchers in this group also agree with low change in the current social situation.

On the other hand, the low-low-low designation reflects the qualitative approach. Researchers in this school of thoughts are Pragmatist, Symbolic interactionist and Ethno methodologist (see Figure 5.3). They perceive that the world is not material (Laughlin, 1995, p. 66). Also, prior theories and understandings are not appropriate to explain details of particular phenomenon. Thus, there are no hypotheses. In contrast, researchers' work depends on research settings. They play the role as a participant in the event. Case-study

based and descriptive techniques are used. Typically, researchers who stand at this position believe in low change in the status quo.

Figure 5.3: Characteristics of Alternative Schools of Thought

		Theory choice: levels of prior theorization		
		High	Medium	Low
Methodological choice: level of theoretical nature of methods	High	Positivism (L) Realism (L) Instrumentalism (L) Conventionalism (L)		
	Medium		German critical theory (M)	Symbolic interactionism (Kuhn) (L)
	Low	Marxism (H)	Structuration (L) French critical theory (L)	Pragmatism (L) Symbolic interactionism (Blumer) (L) Ethnomethodology (L)
		Change choice: level of emphasis given to critique of status quo and need for change (high/medium/low)		

(Laughlin, 1995, p. 70)

The medium position in Laughlin's middle-range thinking aligns with German critical theory (see Figure 5.3). Researchers who subscribe to this school of thought believe that generalisation is possible. Theories are required to construct meanings. In this manner, researchers are allowed to discuss theory with some broad understanding of relationship. Researchers in this position tend to be involved with the research settings. They act as an observer who takes part of the process of discovery. Qualitative methods such as case-study and longitudinal study are utilised to gain rich empirical evidence. In terms of nature of research method, researchers can define the method depending on actual situations. Researchers perceive that change in society is possible but they prefer maintaining in the status quo. In terms of affirming the research findings, researchers will

consider the employed theories to explain their perspectives and empirical evidence. As a result, this method will strengthen value of their work (Pholkeo, 2013).

Table 5.2: Key Characteristics of the Dominant Schools of Thought

	High/high/low ⁵²	Medium/medium/ medium ¹	Low/low/low ¹
Theory characteristics			
Ontological belief	Generalizable world waiting to be discovered	“Skeletal” generalizations possible	Generalizations may not be there to be discovered
Role of theory	Definable theory with hypotheses to test	“Skeletal” theory with some broad understanding of relationships	Ill-defined theory- no prior hypotheses
Methodology characteristics			
Role of observer and human nature belief	Observer independent and irrelevant	Observer important and always part of the process of discovery	Observer important and always part of the process of discovery
Nature of method	Structured, quantitative method	Definable approach but subject to refinement in actual situations, invariably qualitative	Unstructured, ill-defined, qualitative approach
Data sought	Cross-sectional data used usually at one point in time and selectively gathered tied to hypotheses	Longitudinal, case-study based. Heavily descriptive but also analytical	Longitudinal, case-study based. Heavily descriptive
Conclusions derived	Tight conclusions about findings	Reasonably conclusive tied to “skeletal” theory and empirical richness	Ill-defined and inconclusive conclusions but empirically rich in detail
Validity criteria	Statistic inference	Meanings: researchers+ researched	Meanings: researched
Change characteristics			
	Low Emphasis on changing status quo	Medium emphasis open to radical change <i>and</i> maintenance of status quo	Low emphasis on changing status quo

(Laughlin, 1995, p. 80)

⁵² Theory, methodology and change ordering

Considering Laughlin's (1995) middle-range thinking, this thesis is rooted in the medium-medium-medium designation. In terms of theory dimension, Laughlin's (1995) Middle-range thinking refers to an application of theories. Moreover, it opens to interdisciplinary research which considers accounting through the lens of another discipline (Roslender & Dillard, 2003, p. 327). This thesis aims to enhance the effectiveness of auditing learning, in particular, ethical aspects of auditing students. Also, it attempts to promote holistic and life-long learning to the students.

To address the performance gap of current audit instruction, this thesis borrowed four learning theories: Transformative learning, Experiential learning, Reflective learning and Project-based learning, thereby sketching a framework for developing a new instructional instruments. These theories are beneficial to gain broad understandings in local phenomena (Llewelyn, 2003). This thesis utilises these learning theories to develop research instruments for the empirical investigation. Subsequently, the theories will be useful to explain and obtain meaningfulness of the research results. This thesis assumes that the four learning theories will advocate interpretation, validation and evaluation of the developed instructional interventions for auditing learning.

In terms of methodology dimension, this thesis adheres to Laughlin's (1995) medium position. Accordingly, the medium-medium-medium designation suggests that researchers can define their research methods depending on actual situations. In this manner, qualitative research is encouraged. Various data collection methods such as documents, interviews and observation will be used to gain data narrative (Laughlin, 1995, p. 80; Laughlin, 2004, pp. 271 - 275). In this respect, the nature of data sought in

this thesis seems to be case-study based. The thesis applies action research approach which is a part of the case-study approach. These topics will be discussed in the next section.

In terms of change dimension, this thesis stays with Laughlin's medium position which allows for possible radical change in the future, but still maintains located in current situation. This thesis purposes to enhance ethical sensitivity and self-awareness within individual auditing students. It assumes that the developed instructional intervention could make an initial change of individual's behaviour. In addition, the study assumes that auditing students will acquire higher level of professional knowledge, skills and ethics in auditing. The next sections will discuss the underlying rationales for adopting qualitative research method such as case study and action research method to this thesis.

5.2.2 Qualitative Research Method

Qualitative research has no precise definition, but it is concerned with understanding human behaviour and organisation within context of social interaction. In contrast to quantitative research which adheres to exist theory and seeks to attest structured hypotheses, traditional qualitative research seeks to make sense of subjective experience and ties up individual's perspective with his or her behaviours to explain social reality (Moll, Major, & Hoque, 2010). The qualitative research approach is vital and beneficial when researchers intend to gain insights into social phenomena. Therefore, this thesis conducted qualitative research aiming to obtain deep insights into the audit instruction in Thailand and thus, to develop case studies in auditing for participants. It

assumes that rather than utilising quantitative research techniques, gathering data from qualitative approach would be appropriate to understand complex situations through experience, analysing process and interpretation. This thesis needs practical and empirical evidence rather than quantification or testing of hypotheses (Adams, Hoque, & Nicholas, 2010). There are three main research methods in the qualitative approach comprising case studies, field studies and field experiments (Saunders *et al.*, 2009). This thesis adopted case study research and action research to the empirical investigation. The next section will be a discussion these approaches.

5.2.2.1 Case Study Methodology

Case study methodology is an empirical investigation of a specific phenomenon in social context (Robson, 2002, cited in Saunders *et al.*, 2009, p. 145). Case studies are involved with individuals, groups of people, organisations, society, institutions and countries (Easton, 1982; Yin, 2003, cited in Adams *et al.*, 2010). Predominant characteristics of the case study approach are that research can be generated in social contexts or settings. Case-based study is useful when researchers want to gain understanding of specific context and process in the context (Morris & Wood, 1991, cited in Saunders *et al.*, 2009, p. 146). Case study seeks to answer “How” and “Why” questions. This research method employs various types of data collection techniques such as questionnaires, interviews, observation and document analysis (Saunders *et al.*, 2009). Case study methodology encourages researchers to conduct inductive research to examine social phenomenon, and to generate interpretation until the results satisfy them. This process is different from the deductive research approach which leads researchers to set specific hypotheses before embarking on the data collection. For this reason, accounting

academics acknowledge case-study based research as an interpretive tradition (Adams *et al.*, 2010). In this manner, researchers also need prior theories and knowledge to interpret research findings. In addition, data gathered from the empirical field should be linked to the theories (Yin, 2003, cited in Adams *et al.*, 2010, p.364-365).

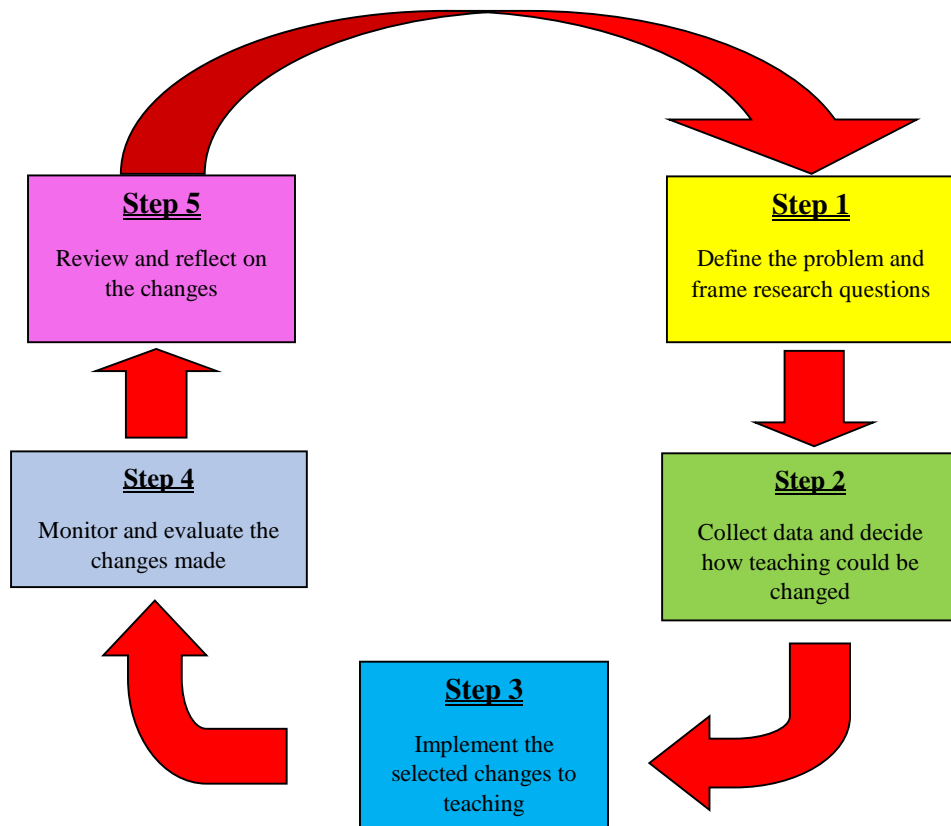
According to Adams *et al.* (2010), a case study is an accounting research method which is specifically used for academic purposes (Adams *et al.*, 2010, p. 361). This thesis tends to study in accounting education area. So the case-study is an appropriate method. However, this thesis does not only attempt to understand problems of audit instruction in practice, it also needs to inform action necessary to solve pedagogical problems. Concepts of case study research methodology is beneficial to tease out current problems and practice of audit instruction Thailand, but is not adequate to accomplish all research objectives. In order to enhance knowledge, skills and ethics of auditing students, this thesis employs action research methodology to develop research tools such as reflective case studies for auditing students. The next section will explain this research approach in detail.

5.2.2.2 Action Research Methodology

Action research covers a broad range of doing research (Norton, 2009). It is a subset of case study research (Adams *et al.*, 2010). The origin of action research occurred in 1940 when Kurt Lewin studied a combination of theory and practice (Tomal, 2003). Paisey and Paisey (2003) noted that action research is reflective and can bridge the gap between theories and practice (p. 285). In an educational setting, action research encourages teachers to be aware and critical of their teaching (McNiff, 1988, cited in

Paisey & Paisey, 2003, p. 285). It can bring a modification of teaching and learning theories (Nixon, 1981, cited in Paisey & Paisey, 2003, p. 285), and can improve teaching practice through searching relevant literature, data acquisition and data analysis (Paisey & Paisey, 2005, p. 13). Key concepts of action research include a continuous improvement which is made up of a spiral of planning, action and finding appropriate solutions (Cunningham, 2008). There are five major steps of action research cycle (Paisey & Paisey, 2005). Step 1 is called “enquiry” identifying the problem and forming research questions. Step 2 is associated with collecting data and making a decision on how teaching could be changed. Step 3 involves an implementation of the selected method to change traditional way of teaching. Step 4 is monitoring and evaluating the implementation. Step 5 concerns reviewing and reflecting on the changes. At the end, the researchers can repeat cycle (if necessary) (see Figure 5.4).

Figure 5.4: Action Research Cycle



(Adapted from Paisey & Paisey, 2005, p.2)

In pedagogical development, action research significantly influences the development of higher education (Norton, 2009). It is applied in three levels: Macro level, Meso level and Micro level. The Macro level refers to the development of universities or schools (institutional level), whereas the Meso level refers to the development in a department and subject disciplines level. The Micro level means the development of internal determinants such as individual teachers and students (Norton, 2009). A major function of action research in higher education focuses on developing students' learning. When teachers realise some problems with performance of the students, action research is utilised as a reflective process to identify problems and alternative solutions. Then,

teachers will select appropriate ways, take action and evaluate the results. Consequently, action research cycle brings to the enhancement of the students' performance (Norton, 2009). Examples of instructional problems, which require action research approach, are a problem of using new methods of teaching, a concern about poor learning capacity such as calculation, a poor performance of students' using language and so on.

One example which portrays the application of action research in practice is the work of Norton (2009). She utilised action research to solve students' problems in writing essays. Initially, Norton (2009) explored the problems by asking students about why they have poor performance in writing essays. At this stage, Norton employed a qualitative and interpretive approach for data collection and data analysis. After clearly identifying the problems, Norton (2009) designed an intervention creating various activities for the students. For example, she spent an hour in a classroom asking students how to find relevant journals and how to write the research. Next, she changed activities in the classroom from asking students to write essays to assessing three current journal articles. After the intervention, Norton (2009) compared independent variable (the intervention) to dependent variables (e.g. students' use of journal articles in the assignments). The results demonstrated that reflection and action processes improved the learning performance of the students.

5.2.2.3 Action Research Methodology in Accounting Education

Action research has been applied in accounting education. For example, Kaplan (1998) adopted the action research cycle to create new management theories regarding Activity-based costing and the Balanced Scorecard. Applying concepts of action research,

Kaplan and his colleagues could identify a major limitation in contemporary practice and could identify a new concept to overcome the limitation (Kaplan, 1998, p. 89). The results of Kaplan's (1998) study also contributed to the development of an intervention for managerial accounting education (ibid). Paisey and Paisey (2005) adopted action research to encourage accounting students to read, interpret and evaluate accounting standards and exposure drafts. They used a software package called "UK GAAP*plus*" as a learning material. The findings showed that the software package was useful to fostering deeper learning within students. Also, the study contributed to improve research skills of the students. In addition, the results showed that action research could help the researchers to identify of problems, collect data regarding current situation, reflect on the situation, implement the intervention, and evaluate of the changes (Paisey & Paisey, 2005). Cunningham (2008) developed action learning in an elementary accounting course. The researcher found a gap between teachers' expectations and students' performance in the accounting subject. The researcher found that students tend to learn by themselves rather than attending the classroom. She claimed that attending in a large lecture theatre is an ineffective learning strategy. Also, she wanted students to have a richer understanding of accounting. Thus, she applied action research to explore students' problems on their learning performance discovering that there are some students who were disengaged from accounting learning. They spent time in lectures, checking e-mail, reading newspapers, and even sleeping, and therefore the learning outcome of the students was poor. They failed to understand core concepts in accounting. The researcher was interested in using "The Classroom Performance System (CPS)", which her institution purchased from e-Instruction Corporation. To this end, a personal response system of the CPS was used as an intervention. It comprises a receiver and a set of transmitters called "Clickers" as an

intervention. The learning environment was different from traditional practice. The students had an opportunity to interact with the system. Also, the system provided various learning activities such as lectures, feedbacks from the professors, which facilitate construction new knowledge through experience and learning materials. The researcher embarked on an experiment by setting the system in the classroom. After an implementation of the CPS system, there was an enhancement of students' participation and engagement. They tended to be more interested in studying accounting (Cunningham, 2008).

The above literature suggests that action research can be employed in developing auditing education. The reason is that auditing education has a gap in linking theory and practice. According to the literature review, auditing learners need to improve knowledge, skills and ethics. Auditing students still lack articulation between theoretical content and real practice. In addition, students' learning seems to be superficial. In terms of professional skills, audit students still need critical thinking, judgement, decision making problem solving, and collaboration and communication skills. Therefore, action research could help to narrow this gap. Action learning leads the students to acquire scientific, systematic and logical thoughts which are significant to the audit profession. Especially, a combination of professional ethics and action research encourages novices to reflect pragmatic problems which are required to solve within ethical framework.

This thesis adopted the action research cycle (see Figure 5.4) as a methodological framework. Following the action research cycle, first, it investigated current problems and practice of audit instruction in Thailand. Secondly, the collected data from the first

step, together with the literature review guided the researcher to reflect the alternative ways to solve the problems. Thirdly, an instructional tool (a set of reflective case studies) was designed and developed in order to improve audit instruction. Fourthly, the researcher implemented the developed instructional intervention, and finally, after the cases' implementation, the intervention was reviewed and reflected on the effectiveness. The prior literature can be a good guidance for conducting this thesis. Even though the findings of those papers tend to present how action research can help the lecturers to improve their teaching quality, this thesis assumes that the action research cycle can also support the development of holistic attributes of auditing students. The systematic and spiral process of action research is assumed to bring to sustainable development within audit students. For above reasons, this thesis embraces action research as a mainstream path of discovery.

5.3 Research Design and Methods

Research design provides a plan for the researchers to figure out research questions. It consists of precise objectives, obtained from research questions, together with determining data sources, planning for data collection such as time, location and budget. In addition, the researcher has to consider ethical issues regarding carry out the research (Saunders *et al.*, 2009). This thesis is mainly influenced by case study and action research traditions. The concepts of these qualitative research approaches frame a designation of research process and procedure which will be explained as follows:

5.3.1 Instructional Development Process – the ADDIE Concepts

Instructional design involves an intellectual process which engenders the design and development of thriving learning environments (Magliaro & Shambaugh, 2006). An instructional design model involves conceptual models for teachers, professional developers and military which aim to increase efficiency and effectiveness of students' learning. In addition, the instructional design can anticipate or expect learning outcomes of students. The significant objectives of instructional design are to promote students' systematic thinking processes, and to develop teaching and learning methods. To achieve this goal, instructors must consider what should be learned, explore alternative teaching methods, assess students' performance and evaluate overall teaching and learning.

Cultivating knowledge within a person takes a long period. Moreover, individual's learning depends upon learning capability, learning style, intelligence and limitations of a person (Solomon, 2003). Thus, an effective instructional design is vital for knowledge acquisition of students. This thesis investigates ways to enhance critical thinking, scepticism, problem-solving skills and ethical sensitivity of auditing students. Therefore, the key elements of an instructional design might be the identification of authentic tasks, complex knowledge, determine core problems and stress on preparing learning environments in the classroom which is very close to real situations in workplaces.

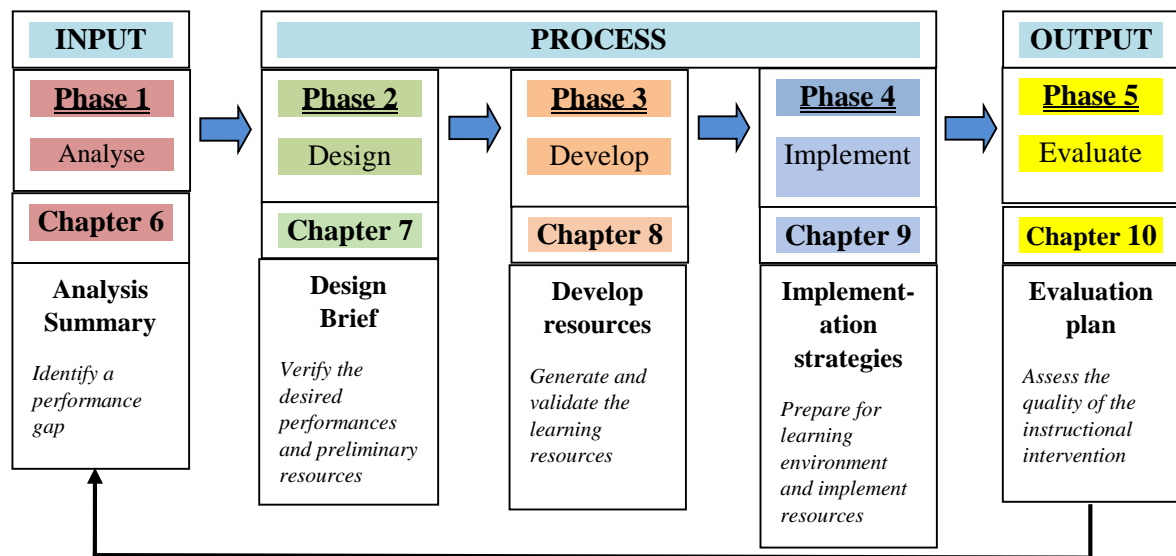
The ADDIE approach presumably fulfils the above requirements. The ADDIE model originated in 1975 by the Centre for Education Technology at Florida State University (Clark, 2015) and was adopted in the U.S. military to facilitate training

(Molenda, 2003, cited in Campbell, 2014, p. 140). The fundamental principle of the ADDIE model assumes that systematic instructional development can enhance individual learning. The idea of systematic design corresponds with the action research approach in terms of planning, taking action and finding appropriate solutions (Cunningham, 2008; Paisey & Paisey, 2005) (see Figure 5.4).

The acronym “ADDIE” stands for Analyse, Design, Development, Implement and Evaluation stages of instructional design (Branch, 2009). The ADDIE design aligns with input-process-output (IPO) paradigm (See Figure 5.5). The input (Analyse) stage refers to understanding conditions, data, information and environment. At this stage, the researchers need to address possible causes for a performance gap, such as lack of resource, motivation, knowledge and so on, by considering the difference between desire performance and actual performance. Subsequently, researchers need to validate and confirm the requirements of participants. Project management plan is also composed in this stage. Next, the process stage refers to searching appropriate methods to solve the problems. At this stage, there will be three compositions: Design, Develop and Implement. The first composition is Design which means identifying the desire performance and testing method. The second composition is Develop which refers to creating learning resources. Accordingly, researchers will generate the content, select supporting media, develop instructional guidance, revise the designed resources and conduct pilot test. The third composition is Implement which involves preparing the learning environment. To this end, there will also be a preparation of teachers and students. Implementation strategy must be set and ready for real practice. Finally, the output stage refers to outcomes, products or ideas which results from process stage. At

this stage, researchers will evaluate quality of instructional product and process comparing before and after teaching. Evaluation criteria and evaluation plan are required to assure effectiveness of the designed instructional tools.

Figure 5.5: The Process of the Development of an Instructional Intervention for Auditing Learning



This thesis applied the ADDIE instructional design process to the empirical investigation for many reasons. Firstly, a systematic design of the ADDIE approach advocates the enhancement of students' performance as Branch (2009) stated:

“Effective instructional design focuses on performing authentic tasks, complex knowledge, and genuine problems. Thus, effective instructional design promotes high fidelity between learning environments and actual work setting.” (Branch, 2009, p.1)

As discussed in Chapter 3, Thai auditing students present an ineffective learning strategy, and a lack of linkage between theory and practice. The ADDIE design model may reduce this gap between learning and performing the audit profession in the future.

Secondly, the groundwork of the ADDIE concept underpins educational theories which are adopted in this thesis. The notions of the ADDIE concept support intentional learning and student-centred learners. In addition, ADDIE concept avoids didactic, limiting, passive and singular modes of design (Branch, 2009). Moreover, it guides students to interact with teachers and colleagues. These ideas are in contrast with traditional instruction. Meanwhile, educational theories such as Transformative and Experiential learning theories concentrate on self-knowledge and self-development through individual's experience. These theories assume that learning from an individual's inspiration facilitate changes in behaviour and a construction of new knowledge. In this manner, students need to take action in their learning. Eventually, an individual will transform to life-long and sustainable learning approach. These ideas are explicitly opposite to passive learning, but similar to the ADDIE concept. Therefore, the ADDIE concept does not only correspond with action research approach, but also supports Reflective and Project-based learning theory. The principle of intentional learning suggests that students will acquire knowledge when they intentionally set goals and objectives of their learning. This leads students to reflect on their learning processes. In addition, intentional learning promotes self-regulation which is similar to autonomous learning in Project-based learning approach (Bell, 2010).

5.3.2 Research Procedure and Duration

The ADDIE instructional design process guides the researcher to diagnose practical problems, design and develop instructional instruments, implement the instructional resources and evaluate the effectiveness of the instructional product. Applying the above concept, the research was arranged by applying a process of the

development of an instructional intervention for auditing learning as demonstrated in Figure 5.5.

The data collection was divided into two period of fieldworks. The first fieldwork was in phase 1 of the research process (see Figure 5.5) aiming to analyse current problems and practice of audit education in Thailand. The fieldwork carried out from October to December, 2013 in 11 universities (see Table 5.3). Face-to-face interviews were selected as a research technique. A semi-structure questionnaire was designed and used as research instrument.

Figure 5.7: Summary of the ADDIE Procedures

	<i>Analyze</i>	<i>Design</i>	<i>Develop</i>	<i>Implement</i>	<i>Evaluate</i>
Concept	Identify the probable causes for a performance gap	Verify the desired performances and appropriate testing methods	Generate and validate the learning resources	Prepare the learning environment and engage the students	Assess the quality of the instructional products and processes, both before and after implementation
Common Procedures	1. Validate the performance gap 2. Determine instructional goals 3. Confirm the intended audience 4. Identify required resources 5. Determine potential delivery systems (including cost estimate) 6. Compose a project management plan	7. Conduct a task inventory 8. Compose performance objectives 9. Generate testing strategies 10. Calculate return on investment	11. Generate content 12. Select or develop supporting media 13. Develop guidance for the student 14. Develop guidance for the teacher 15. Conduct formative revisions 16. Conduct a Pilot Test	17. Prepare the teacher 18. Prepare the student	19. Determine evaluation criteria 20. Select evaluation tools 21. Conduct evaluations
	<i>Analysis Summary</i>	<i>Design Brief</i>	<i>Learning Resources</i>	<i>Implementation Strategy</i>	<i>Evaluation Plan</i>

(Branch, 2009, p. 58)

The data gathered from the first fieldwork was transcribed, analysed and interpreted to understand current practice, problems and requirements for development in audit instruction in Thailand. Results from Phase 1 provided the ideas for designing and

developing the instructional intervention in Phases 2 and 3 of the research process (see Figure 5.5).

After the instructional intervention was designed and improved, the second fieldwork, which was in Phase 4 of the research process (see Figure 5.5), took place in Naresuan University, Thailand. The purposes of this fieldwork were preparing learning environment and implementing the learning resources (the reflective case studies). At this stage, the case studies were used from 4th to 19th November, 2014 in the auditing course, namely “Auditing (222305)” at Naresuan University, Phitsanulok Province, Thailand. This course enrolled in the first semester of the academic year 2014. After the implementation, all data was transcribed, analysed and interpreted to evaluate effectiveness and quality of the instructional intervention.

5.3.3 Research Method: The First Fieldwork (Phase 1)

5.3.3.1 Participant Selection

Phase 1 of this thesis sought to identify and analyse the performance gap of audit education in Thailand. There were two main groups of participants comprising auditing lecturers and students in Thai universities. Thirty-four participants were specifically selected from 11 universities out of 126 universities (see Table 2.5 in Section 2.4.1 of Chapter 2) where accounting curriculums were accredited by the Federation of Accounting Professions (FAP) in Thailand. A self-selection sampling technique which refers to inviting individuals who voluntarily desire to be participants was applied in this research (Saunders *et al.*, 2009). The participant selection process started by searching information of audit lecturers, who were working in the universities accredited by the

Federation of Accounting Professions, Thailand (FAP), on the website www.fap.or.th. Then, a list of audit lecturers was organised (see Appendix 2). Emails were sent to the lecturers describing the research topic, research objectives as well as asking them to be voluntary participants. In addition, the lecturers were requested to pass on the research proposal to their students. If lecturers and students were interested in being participants, they would reply the emails. Eventually, there were 34 participants from public and private universities in five regions of Thailand consisting of Bangkok (the capital city), Northern Thailand, Central Thailand, Northeastern Thailand and Southern Thailand who devoted time for the interviews, as showed in the below table.

Table 5.3: Number of Interviewees and Details of Selected University

No.	Name of the University	Type		Location	No. of interviewees	
		Private	Public		Lecturers	Students
1	Thammasat University		✓	Bangkok	1	-
2	Chulalongkorn University		✓	Bangkok	2	1
3	Chiangmai University		✓	Northern Thailand	1	2
4	Prince Songkla University		✓	Southern Thailand	1	1
5	Chiangmai Rajabhat University		✓	Northern Thailand	1	-
6	Rajamangala University of Technology Isan Khonkaen Campus		✓	North eastern Thailand	1	5
7	Phranakhon Sri Ayuthaya Rajabhat University		✓	Central Thailand	1	5
8	Western University	✓		Bangkok	-	1
9	Nation University	✓		Northern Thailand	1	-
10	Naresuan University		✓	Central Thailand	3	6
11	University of Payao		✓	Central Thailand	1	-
Total					34	

5.3.3.2 Data Collection Process

Semi-structured questionnaires (see Appendices 3 and 4) were developed as an interview guide from the literature review in Chapter 3 and the researcher's personal experience (seven-year experience in audit teaching and ten-year experience in audit practice). The semi-structured questionnaires were prepared in order to make the qualitative data more reliable and comparable (Cohen & Crabtree, 2006, p.1). There were two sets of interview questions, one for lecturers, and one for auditing students. Each questionnaire had four parts composed of (1) general background, (2) teaching/ learning auditing and/or subjects related to auditing, (3) teaching/learning subjects related to ethics in accounting profession and (4) an instructional model to enhance auditing learning. Subsequently, a pilot interview was conducted in September 2013 with a senior lecturer in Auditing at the School of Business in the University of Dundee, Scotland, UK. The pilot interview was used to improve the questionnaires.

The interviews took place in Thai university settings. The interviewees involved 13 lecturers in auditing and/or subjects related to auditing and ethics in the accounting profession, and 21 students who were studying (or have studied) auditing (see Table 5.3). The interviews were conducted in quiet rooms such as lecturers' offices and empty classrooms. They were all carried out during the office hours. The length of conversation was approximately 45 minutes to 1 hour with minimal distractions. Before starting the interviews, each interviewee was required to read and sign a consent form for research on human participations (see Appendix 1). As the researcher, I asked the interviewees for their permissions to record audio tapes. Then, I introduced myself and started asking the questions. During the interview, I took some notes and concentrated on the interviewees'

responses. Even though the semi-structure interviews seemed to have a list of questions, and the researcher and interviewees engaged in a formal interview (Cohen & Crabtree, 2006, p.1), in the real practice, the interviews seemed to be informal conversations. The reason is that informal practice can develop rapport between interviewer and interviewees. This method encourages the interviewers to provide richer information. This is consistent with Gross (2006) who mentioned that informal conversations allowed participants to tell their experiences and thoughts without being influenced by the researcher (p.44). In order to reduce distractions, I tried not to read out each question from the list. I memorised all interview questions beforehand and make sure that entire topics were covered. If the interviewees felt uncomfortable at any part, they were given an opportunity to stop and quit the interview immediately. However, there was no participant who quitted the interview.

5.3.4 Research Method: Design and Develop the Instructional Intervention (Phase 2-3)

After the first empirical investigation was completed through the process of data analysing and interpretation, valuable information was obtained as a guidance to develop an instructional intervention for auditing learning. Phase 2 and 3 of this thesis (see Figure 5.5) refers to design and development of instructional resources for auditing students. At this stage, a set of preliminary reflective case studies was composed by adopting the ADDIE instructional design model (Branch, 2009). With regard to the model, the desired performances were determined. The researcher generated the learning resources by employing a framework derived from other professions such as law, medicine, nursing and engineering, where such case studies have been used. The key elements and methods

used by these professional educators were integrated to develop case studies to enhance ethical sensitivity of audit students. In addition, the educational theories were also used to compose learning assignments and activities. In particular, reflective documentation was designed and integrated into practice. It focused on the roles and responsibilities of the auditors, fraud, risk assessment, and codes of ethics in accounting profession. The reflective case studies were developed from multiple data such as information on internet websites, newspapers, and document in Thai context. Finally, three scenarios were created (see Appendix 5). The topics were associated with asset misappropriation, accounting fraud, bribery and corruption. The assignments provoked students to identify ethical issues, reflect on impacts of ethical misconducts and comment on the best performance to reduce ethical dilemmas. To this end, students were assigned to create their own documentation namely “The Audit Working Paper” reflecting their attitudes toward the case study under a framework of the professional code of ethics. Moreover, students had to create a group project and organise a group presentation. Subsequently, the designed case studies were verified by experts in the UK and Thailand (see Appendix 10) before the actual implementation in Thailand. Significant comments were derived from an expert who had more than thirty-year experience in auditing and education in the UK. I met him in a conference in 2014. This expert provided rich comments on developing case studies in auditing. However, he preferred to acknowledge his name as anonymity. The detail of the design and development processes will be expanded in Chapter 7.

5.3.5 Research Method: The Second Fieldwork (Phase 4-5)

5.3.5.1 Participants Selection

Phases 4 and 5 of this thesis sought to implement and evaluate the reflective case studies and the instructional intervention. Thus, the second empirical investigation was conducted to pursuit these objectives. The fieldwork carried out with third-year undergraduate students who enrolled in the auditing course at Naresuan University, Phitsanulok, Thailand in the first semester of the academic year 2014 (November, 2014). The auditing course name and code were “Auditing (222305)” comprising three credits and the course length was 15 weeks. There were 81 students who attended this class. The participants were specifically selected at Naresuan University because the researcher used to work as a lecturer there before carrying out this thesis. However, structure of the curriculum, size of classroom, study hours, and content of the Auditing (222305) course in Naresuan University is similar to other universities. Thus, it is reasonable to suggest that participants from Naresuan University can be representative of auditing students around Thailand.

Three months before the beginning of the actual implementation, the researcher contacted the lecturer of this module and described all essential information. Also, the introduction letter, teaching note, case studies, questionnaires, a reflective writing task, and focus group questions were sent to the lecturer. Eventually, the research proposal was accepted and the lecturer welcomed the researcher to conduct the data collection in her classroom.

Few days before the implementation, the researcher introduced herself to the students in the classroom. At the time, the lecturer was requested to fill in a consent form. The researcher also asked for a permission from the lecturer to explain the process to the students privately (see Appendices 1 and 13). The researcher was permitted to inform the students about the fact of the new learning methods and the concept of this experimental study, which will be implemented with all students over three weeks. Then, the students were provided a letter of introduction (see Appendix 14), an information sheet (see Appendix 16) and a consent form (see Appendix 1). The students were requested to be voluntary participants. Students were free to complete the questionnaire, reflective writing task and focus group. They could stop at any time if they felt uncomfortable to answer any questions without any penalty. However, they did not receive any remuneration or reward. All students were anonymous as they did not mention their personal information during the data collection. All information will be kept confidential and will be used only in this study. After my introduction and explanation, there were 77 students who individually filled in a consent form for research ethics on human participants (see Appendix 1) and returned the form to the researcher.

When the students finished their individual task, they were assigned to work in group. Before this activity started, the researcher invited students in each group to be volunteers for reflective writing and focus groups activities. They received an information sheet (see Appendix 17) and consent form (see Appendix 1). They could opt in by contacting the researcher directly and returning the consent form to the researcher. The students were informed about the significance of these activities. Eventually, there were 15 students from three groups who intended to be voluntary participants.

5.3.5.2 Data Collection Process

There were various research instruments in the second fieldwork comprising Open-ended Questionnaire, Reflective Case Studies, Reflective Writing Task, Focus Group Questions. The use of these instruments along with the three stages of the data collection process will be explained in the next section.

The first stage was before cases' implementation. At this stage, open-ended questionnaires (see Appendix 7) were provided to 77 participants who filled in and returned their consent form to the researcher. When students finished filling the form, the researcher collected all questionnaires by herself and kept them in a sealed envelope in a locked file cabinet.

The second stage was during the instructional intervention. At this stage, Reflective case studies were provided to students by the lecturer. Students in group 1 were assigned to work on a case namely "Asset Misappropriation", whereas students in group 2 and 3 dealt with cases namely "Accounting Fraud" and "Bribery and corruption", respectively. The researcher acted as an observer who took notes and recorded audio tapes focusing on participants' response, behaviour and conversations. Individual students must conduct and prepare personal task called "Audit Working Paper" after they received the reflective case study. To pursue this task, students had to manage their own time, plan and process of study. However, during the instructional intervention, students did not need to attend the class. Meanwhile, the lecturer acted as a facilitator who advised the students if they had any questions. Once the students finished their personal task, they formed to work with their colleagues in a group. To this end, students interacted and

discussed with the group members sharing their own “Audit Working Paper” which they complete individually. Subsequently, each group had to find a consensus for the case study. In addition, each group was assigned a presentation project which allowed them to pursue a group presentation about the reflective case studies within 30 minutes. In this manner, students must act as an audit team who provide useful information and suggestions to the client under the case scenarios. Students were allowed to create their own presentation. They could use PowerPoint presentation or other visualisations if they preferred. On the presentation day, other students could ask any questions and give feedback on the presentation. The researcher acted as an observer who took notes about participants’ actions and recorded video types of all events.

The third stage was after the instructional intervention. At this stage, fifteen voluntary participants were provided a “Reflective Writing Task”. This activity encourages participants to write what they have learnt from the case studies (see Appendix 8). The writing task took 10 minutes for each participant. Students were anonymous and their information was kept confidentially. After that, the participants were asked to participate in focus groups. There were three focus group interviews according to three groups of case studies. Each group composed of five voluntary students. This activity took approximately 40 minutes for each group. There were three people who collect the data (a researcher and two moderators) (Kreuger, 1994, cited in Hinds, 2000, p. 50). The moderators acted as facilitators who help to control the conversation. One of them observed the participants’ behaviours and took notes. During the activity, video tapes were recorded. However, students were still anonymous and their information was kept confidentially in a locked file cabinet.

A focus group interview was selected to conduct because this technique leads the group members to share their experience (Michell & Branigan, 2000). A focus group is very useful when researchers require information regarding people's perspectives. It explains attitudes of participants toward an event, idea or experience. In addition, an informal atmosphere leads participants to expose their thoughts and group conversation makes participants feel more confident to answer the questions (Reed & Payton, 1997). Focus group interview encourages sense of self-disclosure (Hinds, 2000) which provides richer data. In contrast, one-to-one interview technique seems to be more straightforward and the formal conversation might lead the participants provide less data because they might think that they are under pressure. Moreover, focus group technique also spends less time than personal interview technique (Reed & Payton, 1997).

5.3.5.3 Recording and Storage Procedures

Richards (2009) argued that in qualitative research, everything is data unless researchers consider that data they have collected is not relevant to answering research questions. Therefore, data recording is important to qualitative researchers. According to Richards (2009), data records should be accurate, timely, thick description, useful, and reflexive (Richards, 2009, p.57). In addition, researchers need to concern on the security of data storage system.

There were two types of data recording in the fieldworks in addition to the questionnaires: audio recording and video recording. After finishing the data collection, all data files were transferred as electronic data and stored in the researcher's personal computer which has security protection (username and password). In addition, the

researcher immediately transcribed in Word Processor application on my PC. All data files were kept in CDs and external hard disks. Moreover, other paper documents which the researcher obtained from participants such as consent forms, open-ended questionnaires, self-reflective writing task were kept in sealed envelopes. Both electronic and paper files were kept in a locked box. The researcher is only a person who can access the data. All documents will be kept for three years, after that, the researcher will destroy them.

5.3.6 Data Analysis

All the conversations were in Thai language. The researcher transcribed them after finishing the data collection as soon as possible. When there were some discrepancies or any further questions, normally, the researcher asked the participants to clarify the issues at the fieldwork. If the researcher found unclear information later, the participants were rapidly contacted via emails and telephone. After finishing the transcriptions, the researcher started manual coding in Excel application on her personal computer. The researcher categorised data as categories trying to find main ideas or themes. In addition, the relationship between empirical evidence and literature were connected. This process is called “Topic coding” (Richards, 2009, p.101). The next step is “Analytical coding” which refers to interpretation and reflection on significant meanings (ibid). At this stage, the researcher revised all transcriptions and extracted patterns of the findings. Research results were described and narrated. The researcher picked some important sentences of participants as quotations and translated language from Thai to English. Finally, the researcher interpreted and analysed the respondents’ quotations to evaluate the effectiveness, strength and weakness of the instructional intervention. Accurately, when

conducting cross-cultural research, it is necessary to translate the transcriptions to English by translator in order to enhance validity, correct interpretations, and comply with ethics and neutrality (Temple & Young, 2004, p. 163). However, the translations in this thesis were not checked by anyone because the researcher had limitations in budget and time.

5.3.7 Ethical Considerations

As mentioned above, participants in both two fieldworks were volunteers. At the beginning of the data collections, the researcher introduced all significant information to them. Once participants agreed to be a part of the study, they signed in consent forms. However, participants had an opportunity to stop providing information if they feel uncomfortable to answer the questions without any penalty. In addition, this thesis conformed to the Code of Practice for Non-clinical Research Ethics on Human Participants of the University of Dundee and the research project was approved by University of Dundee Research Ethics Committee (see Appendix 12). Therefore, all participants were assured in confidentiality and anonymity.

In line with the regulation issued by the University of Dundee, I had to follow the ethical approval procedures for Non-clinical Research Involving Human Participants issued by University Research Ethics Committee. The procedure started in September 2014. I provided the information regarding title of research, objectives and rationales of the study, research methods, measurements, data storage, participant selection, consent and participant information arrangements, estimated duration of the study, including risk assessment of ethical implication and participant information sheet to the committee. After the committee received my document, it took approximately a month for the

consideration. During the process, I received e-mails from the committee requesting and adjustments in the approval form and additional information such as Consent forms (see Appendix 1), Letter of Introductions for students and lecturer (see Appendices 13 and 14), Participant Information Sheet for the cases' implementation (see Appendix 16), Participant Information Sheet for focus group (see Appendix 17) and Study Protocol (see Appendix 11). Finally, the study was approved and permitted to conduct the instructional intervention. The Ethical Approval Letter was issued on 22nd October 2014 (see Appendix 12).

5.3.8 Limitation of Research Methodology and Methods

The thesis neither collected pre-post questionnaires nor tested morality scores of the students as others did in prior research. On the other hand, this thesis captured participants' response and behaviour from various sources of data such as open-ended questionnaires, observation, personal task (audit working paper), reflective writing task and focus group conversations. Then, all data was transcribed, analysed and interpreted to conclude the learning outcome of the students. In this respect, there might be an argument on reliability and validity in the evaluation of the designed instructional intervention. However, this thesis concentrates on enhancing ethical sensitivity of auditing students which seems to be abstract and subjective in nature. Ethical sensitivity of individual is difficult to measure and no one can judge whether a person has higher morality than another or not. As discussed in this chapter, qualitative research approach is likely to explain social phenomenon rather than measure the research subjects. For this reason, qualitative research is more appropriate method to gain deep understanding and

illustrating a change of students' behaviours after the instructional intervention. Therefore, this thesis acknowledges and adopts the qualitative research paradigm.

5.4 Summary

The way a person views the world influences individual's knowledge acquisition. Therefore, research paradigm such as ontological, epistemological and methodological assumptions are very crucial to pursue the entire discovery. The literature review brings to a summary of significant characteristics of research methodology and methods of this thesis as demonstrated below.

Table 5.4 Significant Characteristics of Research Methodology and Methods Applied in This Thesis

Significant characteristics	Descriptions	Related theories/concepts
1. Research Paradigm	Nature of knowledge: Reality is subjective	Kuhn's (1970) thinking : Constructivist
1.1 Ontology	Role of theory: Educational theories such as Transformative, Experiential, Reflective, Project-based learning theories are applied as "Skeleton theories" to gain broad understanding in local phenomena	Laughlin's (1995) Middle-range thinking
1.2 Epistemology	Knowledge can be constructed if the researcher could understand the phenomena Role of researcher: Researcher acts as a part of the research	Kuhn's (1970) thinking: Constructivist Laughlin's (1995) Middle-range thinking
1.3 Methodology	Qualitative research approach ➤ Case study methodology ➤ Action research methodology	Kuhn's (1970): Naturalistic qualitative method Laughlin's (1995) Middle-range thinking: Critical Discursive Analysis

Significant characteristics	Descriptions	Related theories/concepts
2. Interdisciplinary research approach	Laughlin's (1995) Middle-range thinking opens to interdisciplinary research. Thus, this research applied educational theories to enhance knowledge, skills and ethics of auditing students	Laughlin's (1995) Middle-range thinking
3. Combination between theory and practice	Action research can bridge the gap between theory and practice. This research approach might be useful to encourage students to acquire scientific, systematic and logical thoughts. Action research can be applied to reflect ethical problems which can enhance problem-solving skill and life-long learning	Paisey and Paisey (2005): Action Research approach
4. Research process	Analyse: Identify a performance gap Design: Verify desired performances and preliminary resources Develop: Generate and validate the learning resources Implement: Prepare for learning environment and implement resources Evaluate: Assess the quality of the instructional intervention	Branch (2009): ADDIE concepts for instructional development
5. Data Collection	1st Fieldwork: Interviews, Observation, Documents 2nd Fieldwork: Open-ended questionnaire survey, observation, Documents, Focus group interview	Laughlin's (1995) Middle-range thinking
6. Type of gathered data	Electronic files: audio and video records Document: Audit working paper and Self-reflective writing task	-
7. Data analysis	Coding: Topic coding and Analytical coding Analysing and interpretation	Richards (2009)

In conclusion, the structure of this study framed by the notions that reality is subjective and knowledge can be constructed if a researcher could understand the phenomena. In order to acquire knowledge, the researcher should act as a part of the research. These assumptions correspond with nature of qualitative research. For this

reason, this thesis applied case study and action research methodologies as a framework to conduct research. An interdisciplinary study is possible in Laughlin's (1995) Middle-range thinking. Therefore, this thesis employs theories from educational discipline to develop capability and competence of audit students. In addition, the thesis attempted to bridge the gap between theory and practice by employing concepts of action research and the ADDIE systematic instructional design. Various instruments and techniques were used for the data collection. Data from the empirical investigation was gathered to analyse and interpret the meanings, and the findings are used to form conclusion of the effectiveness of the instructional intervention.

PART III: EMPIRICAL EVIDENCE

CHAPTER SIX

ADDIE – ANALYSIS OF PERFORMANCE OF AUDIT INSTRUCTION IN THAILAND

6.1 Introduction

This chapter reports the first empirical fieldwork of this thesis. It seeks to identify causes for the performance gap in the auditing instruction in Thailand. In addition, it attempts to determine potential ways to narrow the performance gap. The main objectives of this chapter are (1) to explore current teaching methods and problems of audit instruction in Thailand, (2) to identify the performance gap of audit instruction in Thailand (3) to determine potential recommendation for closing the performance gap.

The chapter is divided into six main sections demonstrating the analytical process which corresponds to the first stage of the ADDIE instructional design model. The first section describes the process of the ADDIE-analysis of performance which will be employed throughout this chapter. The second section reports general background of the interview participants. The third section illustrates current practice of auditing skills and ethics instruction in Thailand. The fourth section identifies performance gap by discussing on the differences between actual performance and desired performance of audit instruction in Thailand. The fifth section is a justification of the potential direction for developing audit instruction in Thailand. To this end, instructional goals, target learners, and instructional resources are addressed. Finally, the sixth section ties

significant elements together as guidelines for the design and developing stages of the instructional intervention for auditing learning.

6.2 Process of the ADDIE-Analysis of Performance

The first stage of the ADDIE instructional design model is an analysis of performance. It refers to a process of identifying and determining what the instructional designer needs to be done (Reinbold, 2013, p. 244). The purpose of the analyse stage is to determine possible causes of performance gap (Branch, 2009, p. 23). The completion of this process results in alternative instructions or strategies to eliminate the performance gap. To complete this stage, the instructional designer has to analyse the data from empirical evidence of current instruction (ibid). The analysis of performance can be carried out by observation, interviews, focus groups, or study of documentation such as course syllabus, course materials and online information (Reinbold, 2013, p. 244). The procedures of the analysis phase consist of six steps: validating the performance gap, determining instructional goals, analysing learners, auditing available resources, recommending potential delivery systems and composing a project management plan (Branch, 2009, p. 24). The next sections will explain an application of six steps of the ADDIE-analysis of performance and will present empirical results from Thailand.

6.3 The Interview Results: General Background

The first empirical investigation grows from Phase 1 of the research process described in Section 5.3 of Chapter 5. This thesis employed observation, interviews and studying documentation as data collection methods. The semi-structure interview conducted with 34 participants (13 lecturers and 21 students) from 11 universities around

Thailand where auditing courses were launched. General background of participants is presented in Table 6.1.

Table 6.1: Details of Interview Participants of the First Empirical Investigation

Information	Auditing Lecturers		Auditing Students	
	Frequency	%	Frequency	%
1. Gender				
Male	8	61.53	6	28.57
Female	5	38.47	15	71.43
Total	13	100.00	21	100.00
2. Age				
Less than 25 years	-	-	21	100.00
More than 25 years	13	100.00	-	-
Total	13	100.00	21	100.00
3. Degree				
Bachelor	-	-	21	100
Master	8	61.53	-	-
Doctoral	5	38.47	-	-
Total	13	100.00	21	100.00
4. Certificates				
Accountants	2	15.38	-	-
Tax Auditors	2	15.38	-	-
CPA	6	46.16	-	-
No certificate	3	23.08	21	100.00
Total	13	100.00	21	100.00
5. Intent to be auditors				
Yes	-	-	15	71.42
No	-	-	6	28.57
Not Applicable	13	100.00	-	-
Total	13	100.00	21	100.00
6. Work Experiences in Auditing				
Less than 5 years	4	30.77	-	-
More than 5 years	8	61.53	-	-
No Experience	1	7.70	21	100.00
Total	13	100.00	21	100.00
7. Teaching Experiences in Auditing and Ethics in Accounting Professions				
Less than 5 years	6	46.15	-	-
More than 5 years	7	53.85	-	-
Not Applicable	-	-	21	100.00
Total	13	100.00	21	100.00

Mostly, lecturer participants were males (8 of 13 participants or 61.53%). All lecturer interviewees were more than 25 years old. Most of the lecturers held a master-

degree in accounting. In addition, those lecturers acquired essential qualifications with regard to auditing such as Certified Public Accountant (CPA), Tax Auditor (TA) and Accountant certificates. They also have more than five-year experience in audit profession and audit instruction. Some lecturer interviewees have had working experience in global audit firms and local audit firms. Most of them have had experience in teaching auditing. On the other hand, a majority of student participants were female under 25 years old. The students were studying auditing in their 3rd and 4th year of their Bachelor degree in Accounting. A majority of the students had the intention to be auditors in the future. However, none of them had any working experiences in auditing.

6.4 Current Practice of Audit Instruction in Thailand

In this section, the empirical results of the first fieldwork will be presented regarding actual performance of audit instruction in Thailand. It will draw on current situations and will provide some examples of the empirical results. Furthermore, there will be a discussion on causes for the performance gap of audit instruction in Thailand.

6.4.1 Auditing Knowledge Instruction

The interview transcriptions and course syllabuses obtained from participants and the universities' websites were analysed. The table below shows the arrangement of the auditing courses in each university.

Table 6.2: Details of Auditing Course Arrangements in the Universities⁵³

University	Course Arrangement						
	Compulsory Subject (s)			Elective Subject (s)			
	Auditing or Audit and Assurance Services	Advanced Auditing	Seminar in Auditing	IT Auditing	Seminar in Auditing	Problems in Auditing	Current Issues in Auditing
Chulalongkorn University	✓	✓	✓	-	-	-	-
Thammasat University	✓	✓	✓	-	-	-	-
Chiangmai University	✓	✓	✓	-	-	-	-
Prince Songkla University	✓	-	-	✓	✓	-	-
Chiangmai Rajabhat University	✓	-	-	✓	✓	✓	-
Rajamangala University of Technology Isan Khonkaen Campus	✓	-	-	-	✓	-	-
Phranakhon Sri Ayudhaya Rajabhat University	✓	-	-	-	✓	-	-
Western University	✓	-	-	-	-	-	-
Nation University	✓	-	-	-	-	✓	-
Naresuan University	✓	-	-	✓	✓	-	-
University of Payao	✓	-	-	✓	-	-	✓

According to Table 6.2, there were two groups of auditing subjects: compulsory subjects and elective subjects. The first group was compulsory subjects comprising three subjects namely Auditing or Audit and Assurance Services, Advanced Auditing and Seminar in Auditing. The second group was elective subjects consisting of IT Auditing, Seminar in Auditing, Problems in Auditing and Current Issues in Auditing. The course namely “Auditing” or “Auditing and Assurance Services” was compulsory in all universities. The Auditing course covers all content regarding an introduction to auditing,

⁵³ Marking “-” means there is no enrolment of the subject in the university.

audit techniques and audit evidence, assessing risk and materiality, substantive testing and auditors' reports.

Even though various auditing subjects such as IT Auditing, Seminar in Auditing, Problems in Auditing and Current issues in Auditing are contained in the accountancy curriculum of each university, in practice, it is found that these courses were not actually activated. On the other hand, Advanced Auditing and Seminar in Auditing were delivered only in the top universities such as Chulalongkorn University, Thammasat University and Chiangmai University. Students in the top universities who expected to be auditors in the future have to enrol these courses although Advanced Auditing and Seminar in Auditing were not core subjects.

The lecturer interviewees were mainly asked about how to arrange an auditing course and how to teach the auditing module (see Appendix 3). Generally, the undergraduate accounting programmes in Thailand launched only one auditing module. The lecturer interviewees claimed that the business schools lack staff and resources and therefore delivery of some material was absent. Overall, lecturers had to convey abundant auditing content within 45 hours or 15 weeks. Another obstacle in Thailand is outdated curriculums. In 2009, there was an announcement namely “the Announcement number 17/2552” issued by the Federation of Accounting Professions, Thailand (FAP). This announcement prescribed subject matters, syllabus, course descriptions and structure of undergraduate accounting curriculums. According to the FAP, the course namely “Auditing” was mainly suggested. Thereafter, it becomes a compulsory subject taught in the accounting curriculum throughout the country. Meanwhile, other subjects related to

auditing were located as elective subjects. At that time, most Thai universities adopted this announcement because they were mainly concerned with the accreditation of the professional body. Even though, subsequently, the FAP has deregulated of this requirement, most universities still comply with the announcement and neglect revising their accounting curriculums, as lecturer L9 stated:

“...The curriculum structure of most universities seems to be the same as the example of the bachelor degree curriculum issued by the FAP. I disagree with this because if the example curriculum is working, why do the FAP stipulate that the students who intend to be auditors must have working experience in the audit firms? However, our university is not in a group of the top universities. We don’t have capability to produce high quality of graduate student for the big-four audit firms.... Therefore, we were reluctant to take action on revising auditing modules in accounting curricula. ...” (L9)⁵⁴

Problems of curriculum structure, course arrangement, and shortage of staff directly affect quality of audit instruction. In particular, it results in improper learning strategies of auditing students. This issue will be explained in the next section.

6.4.1.1 Learning Objectives and Knowledge Delivery

In terms of teaching the compulsory auditing module, audit lecturers normally set the learning objectives to deliver general auditing concepts such as audit planning, risk assessment, test of control, auditing process, basic auditing techniques, ethics and responsibility of auditors and auditors’ reports. Table 6.3 summarised significant characteristics of knowledge instruction in the compulsory auditing course.

⁵⁴ In this chapter, interviewees or participants “L” refer to lecturer interviewees (participants) whereas interviewees or participants “S” refer to student interviewees (participants).

Table 6.3: Significant Characteristics of Knowledge Instruction in the Compulsory Auditing Course Extracted from Course Syllabuses

Key Characteristics	Descriptions
1. Learning Objectives	Auditing course provides general concepts of auditing and auditing standards. It also highlights the role and responsibility of auditors, ethics in accounting professions, legal provision on auditing, including audit planning and techniques, internal controls, risk assessments, audit completion and auditors' report.
2. Significant Topics	<ol style="list-style-type: none"> 1. Introduction to Auditing 2. Audit Techniques and Audit Evidence 3. Assessing Risk and Materiality 4. Substantive Testing 5. Auditors' Report 6. Other Audit techniques: samplings 7. Other Assurance Services 8. Audit Planning 9. Audit Working Paper 10. Electronics Data Processing (EDP)
3. Course Materials	<ol style="list-style-type: none"> 1. Handouts (produced by lecturers) 2. Textbooks (mostly in Thai language) 3. Auditing Standards (International & Thai Standards) 4. Related Accounting Standards 5. Journals & Articles 6. Electronic Websites 7. Other media e.g. Transparencies and opaque sheets, PowerPoint, chapter exercises, Blackboard system
4. Activities to convey knowledge	<ol style="list-style-type: none"> 1. Lectures 2. Presentations 3. Assignments 4. Quiz
5. Assessment Methods	<ol style="list-style-type: none"> 1. (Midterm and Final) Examinations 2. Reports 3. Assignments 4. Exercises 5. Participations

According to the course syllabuses, most of the lecturers proposed to deliver only basic concepts of auditing in the first course. According to Table 6.3, there are ten significant topics which have to be taught within a semester. This may imply that Thai audit lecturers mainly focus on theoretical or contextual content. Current course materials, learning activities and assessment methods also demonstrate that teaching and learning strategies tend to be traditional in approach. This is similar to the literature

review findings that audit lecturers worldwide tend to provide general concepts of auditing for undergraduate students and employ traditional methods to their instruction (as discussed in Section 2.3.3 of Chapter 2).

Thai lecturers also required the second and third auditing modules, as participant L10 stated:

“...I think teaching only one module such as Auditing is not enough. It should be two auditing modules. The first one should be based on lectures, while the second course should approach the real practice. For example, real documents such as invoices and tax invoices should be introduced to the students. In addition, the lecturers should encourage the students to have direct experience from the real practice....” (L10)

Participant L2 also suggested the additional courses in Auditing, as he said:

“...I request Problem in Auditing and Seminar in Auditing as the second and third courses because the courses provide more case studies and auditing standards to students....” (L2)

Even though some participants encouraged students to practice by using exercises, it appeared that students were still unable to work the real-world circumstances. However, Thai audit lecturers reported that they expected their students to perform competently and ethically as assistant auditors in audit firms, together with having positive viewpoints towards the audit profession, as lecturer L8 noted:

“...I expect that students who can pass this module will be able to perform as assistant auditors. For example, they should engage in audit working paper, audit inventory, confirmations, investigate revenue and expenditure cycles of trading companies. However, I have little expectation in advanced techniques such as test of control, audit planning and analysing. Hopefully,

the students will have a positive attitude towards the audit profession, ethics and morality in the accounting profession...” (L8)

In response to knowledge delivery, most student participants also expected to apply auditing knowledge in the real practice when they graduated with a Bachelor degree. They believed that auditing knowledge could be an effective tool for their careers in the future. For instance, participant S3 said:

“I expect that I can apply auditing knowledge in the real situations when I graduate. At the moment, the knowledge I have learnt seems to be so broad. The lecturer did not tell me how to apply knowledge in practice...” (S3)

Furthermore, some participants believed that auditing knowledge will directly help them to be good auditors in the future, as participant S13 stated:

“I expect that the auditing knowledge would guide me to be a qualified and ethical auditor in the future.” (S13)

However, some students merely aimed to pass the exam and have good score in auditing, as participant S7 noted:

“I expect only a good grade in auditing. I found that my character is not suitable for being an auditor. So, I just want to pass the exam.” (S7)

This represents surface and repetitive learning strategies of Thai auditing students. The issue regarding performance gap of audit instruction in Thailand will be discussed in Section 6.5.

6.4.1.2 The Most Difficult Topic to Convey

Lecturer participants viewed that three most difficult topics to convey in auditing are Audit Planning and Audit Programme, Audit Working Paper, and Audit Reports. The key reason is that students were “apprentices” who have not had experience in auditing before. Thus, they could not envision the process of technical practice such as setting audit plan, audit documentation and writing auditors’ reports. Meanwhile, student participants viewed that three most difficult topics are Ethics, Audit Working Paper, and Fraud and Risk Assessment. They mentioned that Ethics is not difficult in terms of rules and regulation, but it is difficult in terms of practice. Again, because the students have had no experience in auditing, their learning strategies tend to be rote learning, as student S1 said:

“The lecturer teaches me and highlights that every topic is important. So, I don’t really know what is the most important in auditing and how can I use this knowledge. I don’t even know when I should to start using it.... For example, there are four conditions which an auditor has to consider when he or she issues an auditor’s report. I try to read the concepts from textbooks and understand them by myself. But, I failed. So, all I can do is just try to remember the rule without understand the concepts. You know, I don’t want the lecturer to read a whole book for me. I need someone who guides me how to use the auditing knowledge. As a result, I still can’t apply it in the real situations.” (S1)

Similarly, student S9 commented on her current learning strategies which demonstrates a repetitive learning approach. She cited:

“For me, the most difficult topic in auditing is Audit Planning because I don’t know objectives of the planning and control. I try to remember but I don’t understand. If I learn a theoretical subject, I always remember the lessons without understanding. But, I am good at putting number into a formula. Studying auditing makes me feel unconfident. I don’t have enough knowledge and I don’t understand what it is exactly. For audit planning, I

don't know the reason of doing it, what should I write down, where should I start from, what are the procedures. So, I give up. I refuse to understand. I devote my endeavour, but why this is so difficult...." (S9)

All the empirical results regarding audit knowledge instruction in Thailand appear to point towards the performance gap of unappropriated knowledge delivery and ineffective learning strategies of the students. In order to clarify key elements of improvement, there will be a further discussion on these issues in Section 6.7 of this chapter.

6.4.2 Teaching Methods in Auditing

In order to gain a deep insight into the current teaching methods, the lecturer participants were asked to explain how they arranged and taught an auditing module (see Appendix 3). In general, lecturers reported that they used lectures in a lecture theatre. Besides this method though, they used various teaching methods such as exercises, questioning, discussion, and teamwork activities. For example, lecturer L4 stated:

"Basically, I give the students lectures, including exercises. Sometimes, I raise questions from the exercises and encourage students to think about what they have had learnt. I also often explain some examples for the students." (L4)

Some lecturers added simple examples in a lecture to illustrate the real practice. However, this method seemed to be inadequate, as lecturer L7 noted:

"I tried to teach all content in auditing such as audit planning, audit engagement and auditor's reports. Especially, I focused on audit practice. I encouraged students to work on audit working papers. I drew on some examples from real practice which are not complex. These examples helped

students to envision the real situations. However, the examples are still not as same as working in the audit firms.” (L7)

On the other hand, students were asked to explain how they study auditing at present (see Appendix 4). The results show that students principally attended the lectures, which confirms to the lecturers’ reports. However, students felt that the auditing module is a boring subject. In their opinion, all content in auditing can be learnt by themselves at home, as participants S2 commented:

“The lecturer always read textbooks for me. I think I can read them by myself at home.” (S2)

Participant S4 also added that students prefer learning by doing rather than listening to the lectures, as she mentioned:

“I prefer learning by understanding rather than listening to the lecturer. I want a chance to practice and I believe that practicing finally will lead me to remember the lessons. I think this is very important to my studying. The employers will recruit me when I graduate because I am ready to work” (S4)

In terms of teaching and learning materials, most of lecturers used PowerPoint presentation and textbooks. Some lecturers also used case studies as supplement teaching materials. Recent auditing case studies were normally derived from English textbooks, and all scenarios in the case studies came from other countries. This seemed to be an obstacle for Thai students because they have poor English skills and poor background in context of other countries. For instance, lecturer L2 stated:

“I usually give the students case studies. Normally, I apply cases from English textbooks and combine them with my own experience. The cases which I am recently using are short cases.... Mainly, it’s hard to find case studies in Thai context and Thai language. Using English cases always make students confused. For example, I try to explain a case of the Enron Company. But, I can’t go in details because students don’t understand the language and context in other countries. So, I just briefly explain the cases.” (L2)

Apart from using those teaching materials, video clips, role playing and guest speakers were also used in auditing instruction in Thailand. However, they were only utilised in top universities due mostly to the limitation of budget. Producing video clips is quite expensive and takes a long period of time. Meanwhile, developing role playing activities tended to be against customers’ confidentiality. In addition, there is less interconnection between general universities and audit firms. Thus, it is difficult for the lecturers to invite expert guest speakers, as interviewee A3 from one of top universities explained:

“In fact, I used several activities to enhance student’s experience. For example, internship, listening to guest speakers, case studies, problem-based learning and VDO clips are utilised in my classroom. I think all of these activities can be the best way to teach students. Personally, I used to create a role-playing situation for the students, but it failed because real cases from big auditing companies in Thailand are very confidential. Those audit companies concern a lot about client’s confidentiality. Even though I used to work in those companies, I can’t access the information. Also, some ethical dilemmas are very sensitive and often affect image of the audit profession. Therefore, I decided to give up producing this kind of materials. Regarding a role playing activity, I try to guide my students to work in team, simulating as if they are working in the audit firm. That’s the best thing I can do at the moment.” (L3)

The above quotation demonstrates obstacles to developing instructional materials in Thailand. This thesis aims to narrow this gap by seeking to design and develop a set of

case studies for auditing students in Thai context. The processes of the design and development of the case studies will be explained in details in Chapter 7.

6.4.3 Learning Atmosphere and Attitudes towards Auditing

Student participants were asked for their comments on learning atmosphere and attitudes towards auditing learning. Students had some positive views on studying the auditing module. For example, student S16 explained:

“Before studying auditing, I viewed that this subject is very interesting. I think auditing tasks are similar to a detective’s tasks. Personally, I like observation, working out of the office, and dealing with numeric information. Being an auditor, I don’t have to carry out a whole process of accounting. On the other hand, I am allowed to select merely significant transactions to be examined. After I studied this subject, I felt good and I found that auditing subject is more challenging and more interesting than in the past.” (S16)

However, some interviewees had negative attitudes towards teaching and learning. Attending lecture in a large lecture theatre, students did not have a chance to ask when they had questions, as students S10 said:

“Listening to the lecturer in a large lecture room, I don’t have a chance to ask when I have problems. On the other hand, I often ask the questions to other people such as auditors and I have already got the answer before I ask the lecturer.” (S10)

Moreover, the traditional teaching method and current learning environment also cause negative attitudes of the students towards the subject. The table below represents the main themes in students’ feelings towards the auditing subject.

Table 6.4: Examples of Negative Attitudes of Student Participants towards the Auditing Subject

Negative Attitudes	Comments
Auditing is a boring subject	<i>“Auditing is so boring subject. I think I can learn it but I don’t precisely understand what it is.” (S7)</i>
Auditing subject causes tension and anxiety of students	<p><i>“When I study auditing, the classroom seems to be quiet. All students have to pay attention on studying because auditing is a difficult subject. I think the classroom is too quiet and serious. There is too much pressure which makes me can’t concentrate on my studying.” (B14)</i></p> <p><i>“... Studying auditing makes me be stressful. I have read a lot before I attend the class, but I still don’t understand auditing. I think tension and anxiety cause confusion. I don’t know what is a right or wrong answer. If I can find the correct answer, I think my studying will be better than at present.” (S15)</i></p>
Students have less motivation on studying auditing	<p><i>“For me, studying auditing is worthless because the knowledge I have learnt from school is different from real practice. In the real situations, I have to work under pressure. I have to deal with time limitation, complexity, human relationships and documentation. So, I personally don’t believe in studying in the classroom. It’s not practicable.” (S6)</i></p> <p><i>“I study auditing in a big lecture room. I usually sit down in front of the classroom and pay a lot of intention when I study. But, the lecturer seems to focus on smart students. He specifically asks those students. I’m not that kind of person, so I sometimes feel depressed.” (S7)</i></p>
Students have less confidence when they study auditing	<i>“I think I need to pay more attention in performing audit tasks. I am afraid of doing mistakes. So, I think studying auditing is too difficult for me. I am not really good at this subject.” (S9)</i>

The above empirical evidence emphasises that the traditional teaching and learning methods which are currently used in Thailand are not appropriated to auditing instruction. The negative attitudes of the students towards auditing subject do not only affect their study performance, but also affect their attitudes towards the audit profession. For instance, student S7 noted:

“At the beginning, I think auditing is an interesting subject. But, after I learnt it without understanding and I attended the internship, I change my mind. I think other accounting professions are more suitable for me than auditing.” (S7)

The results are consistent with the prior literature regarding learning quality, learning outcome and motivation to study. As mentioned before in Section 3.3.2 of Chapter 3, attitudes of audit students towards their learning influence their intention to select future work (Lucas, 2001). If Thai accounting students still have negative attitudes towards auditing learning, perhaps, there might not be an increasing numbers of qualified auditors in the future. This will not serve the demand for Certified Public Accountant (CPA) in Thailand (Tirasriwat & Thein, 2000) and the growth of the ASEAN Economic community (as discussed in Section 2.3.2 of Chapter 2). Despite the fact that it is difficult for new graduate accounting students to pass the CPA examination, a more difficult problem is that, at present, Thai accounting students are not willing to enter to the audit profession. Therefore, this problem should be urgently solved. The audit lecturers in Thailand should take more action on modifying their teaching methods and instructional environment.

6.4.4 Skills Instruction in Auditing

Thai audit lecturers pointed out that the most important audit skills required are computer skills, language skills, professional scepticism, skills of applying auditing and accounting standards, logical thoughts and soft skills, personal skills and communication skills and skill of doing audit working papers. At present, various learning activities are used to enhance these audit skills such as explanation and giving examples from the lecturers' own experiences, as lecturer L2 noted:

“...I just tell and draw on a story from my experiences. For example, I describe how I check the companies' inventory. ...” (L2)

Lecturer A9 preferred to invite guest speakers and made use of internship:

“...Mostly, I explain and illustrate audit practice by giving examples. I sometimes invite the executive director of the university who used to work as an auditor in a Big 4 firm to share his experiences in the classroom. In addition, I allow the students to work internships in auditing firms during their third year because they have an opportunity to be familiar with real document...” (L9)

Lecturer A10 agreed with this and added that using case studies, video clips, role-playing could also help:

“...Case studies from real situations in the office, video clips, visiting audit firms and internship can help audit students to enhance their auditing skills. ...” (L10)

The interviewees believed that the most difficult topic in teaching auditing skills was professional scepticism because of students' lack of experience. In addition, they are rarely trained to observe and question. Professional scepticism is crucial in the auditing profession because it impacts on audit quality and professional judgement (The International Auditing and Assurance Standards Board (IAASB), 2012). According to IAASB (2012), audit novices should be educated, trained and given experience in order to enhance the awareness of professional scepticism. For example, Carpenter, Durtschi and Gaynor (2002) discussed how to nurture professional scepticism in the classroom (Carpenter *et al.*, 2002). Here practice and feedback with fraud case studies were used as an experimental tool in the classroom. The students were encouraged to read and answer questions related to fraud. As a result, they could reach a higher level of professional scepticism and knowledge about fraud compared with individual auditors who typically practice in the audit firms. The key element is how to encourage the practice of

questioning in the student's mind. Although Thai lecturers used various activities to foster these skills, they seem to be inadequate in terms of practice. The students should be trained to raise questions and reflect on their thinking rather than passively listening to the lecturers or guest speaker's experience. Therefore, instructors should consider to develop powerful materials and learning activities to enhance professional scepticism and other important skills.

6.4.5 Ethics Instruction in Auditing

In Thailand, ethics in the accounting profession is inserted in each module related to accounting, as one of fifteen chapters, except in Naresuan University and the University of Payao where Ethics and Good Corporate Governance is separated as a stand-alone course.

The objective of ethics instruction in the accounting profession is to understand ethics and ethical conduct in the accounting professions. The lecturers aimed to nurture audit students to be good professionals in the future. They expected students to be concerned about effects of immorality, duties and responsibility of auditors. In the auditing module, lecturers specifically explained topics related to codes of ethics in accounting profession. At the same time, they raised relevant examples such as accounting scandals and fraud to discuss in the classroom. Whilst, some lecturers integrated ethics in each chapter, real cases, ethical dilemmas were also provided to the students. On the other hand, in the stand-alone course, lecturers highlighted ethical theories, concepts of ethics, organizational ethics, and corporate governance. In addition,

they concentrated on the roles of the accounting and audit profession, code of ethics and lessons from accounting scandals.

According to the interviewees, objectives of teaching ethics in the auditing module are similar to objectives of teaching ethics in the stand-alone module. The interviewees also reflected on the most difficult topic of subjects related to ethics in accounting profession. Here integrity appeared to be the most difficult ethical topic in audit instruction. The reason is that auditing is a numerical subject. The public rely on the professionalism of auditors and the accuracy of financial information. However, integrity is an abstract concept. Even though it is usually emphasised in the classroom, in practice the students have to make their own decisions. Therefore, it depends on individuals' conscience and external factors such as pressures from employees and clients and environments. This factor seems to be beyond the responsibility of the lecturers.

With regard to learning activities of ethics instruction in auditing, most of the Thai audit lecturers tended to focus on explaining examples rather than providing ethical cases. Some lecturers added other learning activities such as case studies and discussion in teaching ethics, as lecturer L3 noted:

“...The strategy I recommended in audit teaching is problem-based learning. I determined ethical issues and suggested to the students what the right or wrong things are. Regularly, I assigned case studies to the students and asked students to discuss them. ...” (L3)

Even though some lecturers attempted to encourage their students by using problem-based learning, most of the Thai audit lecturers blamed for the time limitation.

In general, lecturers merely describe ethical topics in the first or second week of the module. For instance, lecturer L7 said:

“...Ethics is combined in the audit teaching. I just told the students whatever I could think about ethics at that moment in the classroom. I talked about this topic for approximately half an hour, not more than an hour. ...” (L7)

This is consistent with the findings of McNair and Milam (1993) who stated that audit lecturers spent little time on teaching ethics in the classrooms. According to this research, lecturers taught ethics in the classroom for less than 3 hours per course, due to time limitations and a lack of appropriate ethics materials (McNair & Milam, 1993).

The empirical results also demonstrated that ethics teaching in auditing does not seem to be emphasised in Thailand. Most universities tended to focus more on producing new graduate students to serve the demand of employers in the market places. For example, lecturer L2 explained ethics teaching in his university:

“...There is no stand-alone subject related to ethics in this university. We supplied ethical topics in the auditing class. We desire to serve need of the market places, so we push the students to graduate as soon as possible. ...” (L2)

This approach results in the negative feedback of participants. The interviewee S9, for example, indicated that a lecture-based approach was unlikely to be an effective method for ethics instruction. Current ethics teaching is inappropriate because the lecturer merely focuses on general concepts which students have learnt before. She said:

“...At present, the teaching strategy for ethics is inappropriate because the lecturers just talk about ethics concept which the students have learnt already in the past. ...” (S9)

This is similar to student S7 who noted that the lecturer tended to focus on content rather than the real practice. Eventually, students still cannot apply theory to practice, as she noted:

“...Regarding to ethics learning, the lecturers required me to read a book about ethics. I had to analyse important issues. ...For me, I think ethics is subjective. We can talk about it, but we don’t know what is going to happen when we encounter the real situation. I suppose it’s not the same as the content in the textbook. ...” (S7)

Student S15 added that ethics is subjective and difficult to apply in the real practice. He commented:

“...I think the problem is that ethics is vague. I often don’t understand it exactly. For example, people sometimes commit acts of misconduct in terms of ethics and morality. But, they are legal in terms of law. So, I rarely apply the content I have learnt regarding ethics to the real practice. ...” (S15)

The above quotations show that current ethics teaching emphasises rules and regulations rather than practice. This causes students to fail to apply theory in the real situations. Moreover, the interviewees commented that attending the lecture, students could understand all content related to ethics, but they did not believe it could change an individual’s behaviour. For instance, lecturer L6 cited:

“...The activity which lecturers use to deliver ethics shouldn’t be a lecture because it is insufficient for students to absorb knowledge. However, what I taught is emphasising rules and regulations which are issued by the professional body. I added case studies as an instrument to illustrate the

implementation. In addition, I encouraged my students to think of the right and wrong ethical conduct of auditors. In my point of view, I don't believe that lecture based classes can nurture students to be good auditors. ..."
(L6)

Some student interviewees agreed on this issue. For example, student S6 noted:

"...Teaching ethics in the accounting profession is ineffective if the lecturer just keeps talking in front of the class. I don't believe that this method can change individuals' behaviour. In contrast, ethical teaching should originate with the family and primary school. At the moment, I think I am too old to change my behaviour. ...I am not sure whether a lecture can totally change people. Sometimes, I saw my friends sleeping in the class while attending ethical course. Moreover, they tried to write positive ideas in the exam. I wonder if the things they wrote can apply in the real practice. ..." (S6)

The current situation of ethics instruction in auditing in Thailand demonstrates that although Thai educators "generally teach ethics" in accounting and auditing modules, the traditional delivery methods seemed to be ineffective. Students still lack of linkage between theory and practice. These empirical results from Thailand are consistent with the research of Cooper *et al.* (2008) which is mentioned earlier in Section 4.4.3 of Chapter 4. According to Cooper *et al.* (2008), participants commented that in ethics instruction, educators tended to focus on theoretical contents rather than practice. As a result, students still could not apply theories to the real situations. In addition, participants did not believe that an individual's ethical behaviour can be changed after the usage of the developed toolkits. The reason is that individual has his or her own moral reasoning. However, the developed toolkits might help promoting ethical awareness of students (Cooper *et al.*, 2008).

In response to the current practice and problems of audit instruction in Thailand as well as ethics teaching in auditing. This thesis mainly aims to enhance holistic attributes of auditing students, in particular, their ethical sensitivity. Especially, this thesis assumes that the developed case studies can be an effective tool to bridge the gap between theory and practice. In the next sections, there will be a discussion on performance gap of auditing teaching in Thailand and how to narrow the gaps in details. At the end of this chapter, a framework will be constructed as a guidance for the design and development of an instructional intervention for auditing students in Thailand.

6.5 Performance Gap of Audit Instruction in Thailand

The empirical results demonstrate performance gap of current audit instruction in Thailand. First, general accounting curricula which are launched in Thai universities at present have only one compulsory auditing course (as mentioned before in Section 6.4.1). Too much content force lecturers rapidly taught within 15 weeks. Thus, lecturers used lectures as a main teaching method in audit teaching. This is consistent with the prior literature in Section 3.3.1 of Chapter 3. Accounting and auditing instructions worldwide still employ traditional methods which encourage students to learn by surface, passive and repetitive approaches. As a consequence, students fail in adapting knowledge to practice. The Table below provides some examples of empirical results showing that auditing students in Thailand generally have surface, passive and repetitive approaches to their learning.

Table 6.5: Examples of Current Learning Strategies of Thai Auditing Students

Learning Strategies	Comments
Surface Learning	<p><i>“In my point of view, auditing students mainly intend to pass the exam. Only few students want to gain knowledge from the classroom and apply it in their career.” (L9)</i></p> <p><i>“The lecturer should only ask questions from content in the textbook, if he asks something apart from the book, I cannot answer the questions.” (S4)</i></p> <p><i>“...I revise the content a few days before the exam, I usually do a revision with my friends. If I have questions, I will ask friends rather than the teacher. ...” (S7)</i></p>
Passive Learning	<p><i>“Lecturers always read textbooks in front of the classroom, we have to listen to him because auditing is difficult. ...” (S1)</i></p> <p><i>“I try to understand what the lecturer say in the classroom. I rarely read textbooks by myself.” (S7)</i></p>
Rote (repetitive) Learning	<p><i>“I try to read, remember and understand auditing from textbooks. For instance, I attempt to remember pattern of the auditors’ reports. Finally, I find it’s difficult for me because I don’t know how to start. Besides, when the lecturer gives us a group assignment, we merely let other groups start first and ask them how to do the work. We can’t do the assignment on our own.” (S9)</i></p>

Secondly, audit instruction in Thailand has problems of insufficient staff and resources. Lecturer L4 commented that competence and experience of audit lecturers are very important elements to convey real-life experience to students. He said:

“...In order to enhance professional skills of audit students, significantly, audit lecturers should fully possess experience in auditing. The reason is that experience is a key to link between theory and practice. In addition, experienced lecturers are able to provide more examples and make students gain more visualisation. Therefore, I disagree if the lecturers deliver only lectures to students.” (L4)

However, current academic staff in Thailand seemed to have inadequate professional knowledge and skills. For instance, lecturer participants L3 stated:

“...Audit instruction in Thailand seems to be weak. Current audit lecturers in some universities are not full-time faculties. They don’t have time to

concentrate on their teaching. Thus, they don't know strength and weakness of the students. Although some lecturers have direct experience in auditing and convey their experience to students, it appears that students blame about overwhelming content. As a consequence, employers tend to select the students who graduated from top universities because they have been delivered auditing knowledge by experienced staff. On the other hand, general universities employ inexperienced staff, students also have poor background in accounting. This reflects poor performance in teaching and learning. I have to say that these universities are not conduct a real audit teaching. Therefore, it is clear why the big-four companies refuse to recruit this kind of graduated students.” (L3)

Apart from problems of workloads and time limitation, another problem of the Thai audit lecturers is that they do not have direct experience, so they adopted case studies from textbooks in their teaching without deep understanding. As a consequence, the repetitive approach is not only applied in learning, but also adopted in teaching, as lecturer L9 noted:

“...Perhaps, capability and competence of teachers affect students' performance. However, in general, audit lecturers in Thailand are not auditors. The problem is that the lecturers have no working experience. Thus, they have limitation in conveying experience to students. In fact, some lecturers claimed that they provide case studies to students. This sounds good, but it appears in practice that lecturers just read and translate English textbooks to students. Because of no experience in auditing, the lecturers tend to teach without deeply understanding. Subsequently, this causes a lot of problems....” (L9)

In terms of instructional resources, as mentioned in Section 6.4.2 that there are very scant numbers of quality textbooks and case studies for audit instruction in Thailand. Currently, Thai audit lecturers relied on only one textbook in Thai language. Although some lecturers employed English textbooks adapting some examples to students, those examples seem to explain specific context of each country. Even though some lecturers attempted to use problem-based learning, in practice lecturers tended to explain their

previous experiences and give solutions of the exercises rather than encourage student to handle problems by themselves. The situation of teaching ethics in auditing demonstrates the same problems. There are no real case studies regarding ethics in accounting profession in Thailand. Furthermore, learning activities to enhance reflective thinking, collaborative skills, and communication skills have rarely been applied to ethics teaching in auditing.

Thirdly, apart from the aforementioned results that Thai auditing students had negative attitudes towards the auditing subject and the audit profession, students themselves still have deficiencies in academic knowledge, professional skills and professional ethics. The table below expands this issue.

Table 6.6: Examples of Deficiencies in Knowledge, Skills and Ethics of Thai Auditing Students as Expressed by Lecturers

Deficiencies	Comments
KNOWLEDGE :	
➤ Students lack of precise concepts in accounting	<i>“Partly, Thai auditing students lack of basic concepts regarding accounting standards. For example, when I teach them how to audit an account receivable cycle, I refer to related accounting standards. Actually, students should recall those concepts and apply to the auditing module because they have studied before. But, students fail to link the auditing procedures with prior knowledge. Thus, I have to revise the accounting standards again and again. ...” (L2)</i>
➤ Students lack of linkage between theory and practice	<i>“...Students don’t have any experience. Thus, they cannot envision the real practice. In addition, audit students have poor academic background, so they are not able to identify risks of the company. Some students might be able to explain from textbooks. But, they still have limitation because they have no experience. Therefore, the gap is that students still cannot link between theory and practice. ...” (L11)</i>
SKILLS:	
➤ Students lack of professional scepticism	<i>“...Students who intend to be auditors must have higher level of professional skills than those who want to be accountants. Especially, students should acquire professional scepticism. Otherwise, they will not be able to work in the real situations. However, at the moment, some students rarely have questions when they study auditing. Furthermore, some students merely wait for the solutions from me. ...” (L9)</i>

Deficiencies	Comments
➤ Students lack of analytical skills	<i>"...Students lack of analytical skills. They can't distinguish the risk situations. In addition, students are not able to conduct audit planning, comparison and detection. Particularly, students don't understand the ratio analysis which is very important to the analytical procedure. I think the main reason is that the students have poor background in accounting. This weakness can be improved if students have more experience. ..." (L12)</i>
➤ Students lack of personal skills and communication skills	<p><i>"Students are a new generation who have quick decision and less tolerance. You can see that there is a high rate of resignation of new employees nowadays. Being patient and emotional intelligence are the key. Thus, audit students should be prepared for this issue." (L4)</i></p> <p><i>"Students should be trained to have personal skills and communication skills. I think these skills are very important to auditors. If students are excellent in academic knowledge, but they cannot communicate with clients or colleagues, in the end, there will be a big problem. ..." (L6)</i></p>
ETHICS:	
➤ Students lack of reflective practice in ethics	<i>"Nowadays, Thai students specifically focus on learning academic knowledge such as Sciences, Maths, and English. They have rarely been nurtured or practiced to reflect on ethical thought. This does not only result in poor emotional intelligence of individuals, but also result in poor relationship among colleagues in the work place. Therefore, merely focusing on academic knowledge is not enough. On the other hand, fostering ethics to students is more important. Students should know, realise and reflect on ethical problems in the real society. ..." (L11)</i>

6.5.1 Desired Performance: The Ideal Auditing Class

In response to the performance gap, lecturer and student interviewees also commented on the ideal auditing class. Apart from those lecturers who required the second and third auditing courses, some lecturers commented on the need for a modification of accounting curriculum. In this respect, the standard accounting curriculum was also taken into account, as a lecturer participant noted:

"...In my opinion, there should be another compulsory auditing course. There should also be a collaboration of audit lecturers around the country to modify accounting curriculum. Audit teaching should be conducted in the same direction. ..." (L9)

On the other hand, integrated learning was also mentioned as an ideal of audit teaching. The notion of the interviewees is that integrated learning can bridge the gap between theory and practice. The lecturers expected the students to envision the process of auditing. In this respect, accounting transactions and document such as purchase order forms and tax invoices has been applied in audit teaching. Some lecturers employed internship, simulated company and field trips as supplement learning activities. Although many attempts have been made to enhance knowledge, skills and ethics of the students, real case studies in Thai context was remarkably required from both audit lecturers and students in Thailand. The interviewees believed that case studies can be integrated in auditing instruction, as lecturer L10 cited:

“...I expect to see positive attitude of audit students towards the audit profession. With regard to the ideal auditing class, I think students should be cultivated to concern about effects of auditing malpractice. To this end, I suppose that case studies in the Thai context might help. Students should participate in real practice. Also, they should learn to solve problems by themselves. I believe that taking action leads students to envision all process of the auditing. Thus, lecturers should create case studies based on real situations in Thai business society. Moreover, these cases should illustrate real accounting transactions and documents. Particularly, ethical dilemmas should stimulate students rethink about the codes of ethics and its application. ...” (L10)

Moreover, real cases can engender experience to students. Dealing with cases, students will be challenged to solve problem by themselves. For example, student S1 commented:

“...I want to learn about malpractice of accounting and auditing professionals. I think it’s very interesting to learn from these lessons. In particular, a punishment for the misconducts should be added in audit case studies. ...” (S1)

Consistently, student S12 added her requirement:

“Lecturers should employ case studies which stimulate us to analyse and express our opinions on causes and effects of malpractice in auditing. I require real cases in Thai society.” (S12)

Thus, case studies might be a possible way to cultivate students to acquire deep learning, professional skills and professional ethics.

6.6 Purpose Statements

This chapter arrives at a conclusion that there are three main problems of audit instruction in Thailand comprising (1) problems of course arrangement and delivery methods, (2) problems of shortage of competent and qualified staff and instructional resources such as textbooks and case studies in Thai context and (3) problems of deficiencies in professional knowledge, skills and ethics of auditing students. Even though the empirical results refer to comments and requirements of both Thai lecturers and students on modifying the curriculum structure and recruiting qualified auditing lecturers, these issues are beyond the scope of this thesis. In addition, this thesis employs the ADDIE instructional design model which principally centres to develop individuals’ learning (Branch, 2009, p.8). In particular, the analysis process of the ADDIE model also suggests that “if the performance gap is caused by reasons other than a lack of knowledge and skill, then stop the ADDIE process” (op cit.: p. 23). This can be implied that with regard to instructional development, the ADDIE model can specifically be beneficial to enhance students’ knowledge and skills rather than develop lecturers’ qualifications or curriculum structure. Although the ADDIE model rarely mentions the development of individuals’ ethics, this thesis assumes that complying with the ADDIE model, students

are also able to enhance professional ethics. This assumption will be discussed in Chapters 9 and 10.

The purpose statements of this thesis are (1) to develop effective learning strategies for auditing students (2) to produce an effective instructional resource for auditing learning in Thailand (3) to enhance professional knowledge, skills and ethics of audit students.

6.7 Narrowing the Performance Gap

In order to narrow the performance gap, the ADDIE instructional design model suggests five steps comprising (1) determine instructional goals (2) confirm the intended audience, (3) identify required resources, (4) determine potential delivery system and (5) compose a project management plan. The following sections will explain the actual conduct of this thesis.

6.7.1 Determining Instructional Goals

In response to the purpose statements, this thesis sets a goal for producing an instructional intervention for Thai audit students. To this end, a set of auditing case studies were composed aiming to enhance holistic attributes of auditing students.

6.7.2 Analysing the Target Learners

This thesis aimed to conduct an experimental instruction by using the designed case studies with auditing students in Thailand. The target learners were 81 students who attended the auditing course at Naresuan University, Phitsanulok, Thailand. The course

enrolled in the first semester of the academic year 2014. The reason for selecting these students was because the students were studying in the third year of four-year study in their bachelor degree. They had general background in accounting (principle accounting and intermediate accounting) and business administration. In particular, students from Naresuan University have studied code of ethics in accounting profession from the stand-alone ethical course. In addition, the structure of the curriculum, size of accounting classroom, study hours and content of the auditing module are similar to other universities in Thailand as mentioned in Section 5.3 of Chapter 5.

6.7.3 Identifying Required Instructional Resources

The ADDIE model guides four common resource types which the designer should consider. There are content resources, technology resources, instructional facilities and human resources (Branch, 2009, p. 43). Three case studies were designed to enhance professional knowledge, skills and ethics of auditing students. In this respect, reflective practice, participation, collaboration and project-based activities were emphasised and integrated into the instructional intervention. Potential content which was contained in the case comprising real-life scenarios regarding auditing fraud and malpractice in Thai business society. In terms of using the case studies, the students were assigned to complete individual reflective writing, audit working paper. They were also assigned to manage a group project. Therefore, they have responsibility to manipulate their study time and learning strategies by themselves. Instructional technology and facilities were also diverse. Students could study outside the classroom. Internet websites, academic journals, textbooks in the library were allowed to access. To this end, the audit lecturers acted as facilitators providing suggestions when the students had questions.

6.7.4 Determining Potential Instructional Delivery

As mentioned earlier students played a vital role in controlling their learning. However, the lecturer needs to describe learning objectives and learning outcomes, including a revision of prior knowledge to students before providing case studies. The implementation of the designed case studies took place three academic weeks before the final examination. Group presentation was expected to exhibit after cases' implementation. However, students had an opportunity to discuss with the lecturers and colleagues, including select alternative methods to present their work. All students had to participate in the classroom activities. The lecturers assessed the learning outcome from observation, discussion, audit working paper tasks and presentation activities.

6.8 Limitations

This thesis has some limitations in application of the ADDIE analysis process. The ADDIE stated that the designers should conduct a project management plan (Branch, 2009, p. 52). This thesis applied the ADDIE model as an academic exercise, there is no budget for the development of instructional intervention. For this reason, the costs could not be estimated. Also, this thesis did not conduct a project management plan for all five phases of the ADDIE model.

6.9 Summary

This chapter adheres to the analysis process of the ADDIE instructional design model. Table 6.5 summarises six steps of the analysis process conducted in the first fieldwork in Thailand. Overall audit instruction in Thailand is at present primarily lecture-based in approach, through auditing skills and ethics are taught through several activities

such as exercises, case studies and discussions. However, significantly three areas were still remained as problems of audit instruction in Thailand. The problems consisted of curriculum structure and delivery method, shortage of audit lecturers and instructional resources, and deficiencies in knowledge, skills and ethics of audit students. Explicitly, lecturers and students required a second level auditing course; they needed powerful materials such as textbook and case studies in Thai context and Thai language. An integrated course is also required to enhance knowledge, skills and ethics of auditing learners.

Both the literature and empirical evidence confirmed that traditional method is not an effective teaching strategy for audit instruction. The reason is that auditing students lacked working experience. They were not able to understand and envision the process of the auditing procedures. Furthermore, the traditional teaching method did not encourage students to participate with experience. This resulted in surface, passive and repetitive approaches to learning. Thus, a possible way to solve the current problem is that the universities should consider integrated learning which can bridge the gap between theory and practice. Even though an integrated auditing course is difficult to develop in Thailand because of the shortage in experienced lecturers and effective learning resources, lecturers should not be reluctant to solve this problem if they still want to produce qualified graduate students to serve the business community.

The empirical data from Thailand recommends that case studies can be a key to encourage students enhance deeper learning through experience. This thesis aims to work on how the designed case studies enhance the knowledge, skills and ethics of audit

students. In the next chapters, there will be an explanation of the details of the design and development processes which were conducted in this thesis.

Table 6.7: Summary of the Analysis of Performance Gap: Empirical Evidence from Thailand

Actual Performance	Desired Performance	Primary Cause of Gap
1. Identifying the Performance Gap		
1.1 Curriculum structure		
➤ Contextual course	➤ Second or third courses in auditing ➤ Integrated course	➤ Too much content contributed in only one auditing course
1.2 Attitudes towards auditing		
➤ Auditing is a boring subject ➤ Auditing subject causes tension and anxiety of students ➤ Students have less motivation on studying auditing ➤ Students have less confidence when they study auditing	➤ Accounting students have positive attitudes towards auditing subject and the auditing profession	➤ Unappropriated delivery methods
1.3 Instructional Resources		
➤ Lack of resources such as textbooks, case studies	➤ More instructional resources such as textbooks and case studies in Thai context and Thai language	➤ Time limitation ➤ Budgeting limitation ➤ Confidentiality
1.4 Problems of auditing students		
➤ Students lack precise concepts in accounting ➤ Students lack professional scepticism ➤ Students lack analytical skills ➤ Students lack personal skills / communication skills ➤ Students lack deliberation ➤ Students cannot connect theory with practice ➤ Students rarely aware of professional ethics and lack ethical sensitivity	➤ Students have academic capability, professional skills and professional ethics ➤ Students have active learning and collaborative learning	➤ Unappropriated delivery methods (Traditional methods) ➤ Unappropriated learning strategies (surface, passive and repetitive learning)

2. Purpose Statements			
Probable solutions is that instructional methods of auditing should be modified. Integrated course and case studies can be effective tools to enhance audit students’ professional knowledge, skills and ethics.			
3. Determining Instructional Goals			
In order to enhance holistic attributes of auditing students, this thesis set a goal to produce case studies as an instructional intervention for audit students in Thailand.			
4. Analysing the Target Learners			
Key Considerations		Analysis	
4.1 Primary Student Group		Participants should be selected from the majority group of auditing students in Thailand	
4.2 General Characteristics		Auditing students who are enrolling or studying the compulsory auditing module in a university in Thailand (excluding top universities)	
4.3 Number of Students		Approximately 80 - 100 students	
4.4 Location and Environments		Integrated learning Collaborative learning	
4.5 Others Considerations		Pre-requisition: Principle of Accounting, Intermediate Accounting, Ethics in Accounting Profession	
5. Identifying Required Instructional Resources			
Content	Technology	Facilities	Human Resources
<ul style="list-style-type: none">➤ Principle of Auditing➤ Audit Working Paper and Documentation➤ Fraud and Risk Assessment➤ Code of ethics in Accounting Profession	Diverse technology and facilities were used to complete a project assignment		Audit lecturer acted as a facilitator of studying
6. Determining Potential Instructional Delivery			
Key Considerations		Descriptions	
6.1 Learning Activities		Dealing with a reflective case study Individual Learning Tasks <ul style="list-style-type: none">➤ Audit Working Paper➤ Reflective Writing Task Group Learning Tasks <ul style="list-style-type: none">➤ Group Discussion➤ Group Presentation	
6.2 Delivery Methods		Revision of prior knowledge Project-based Learning	
6.3 Durations		3 weeks	

CHAPTER SEVEN

ADDIE – DESIGN AND DEVELOPMENT OF THE INSTRUCTIONAL INTERVENTION FOR AUDITING LEARNING

7.1 Introduction

This chapter presents the design and development of instructional resources for auditing learning. It explains Phases 2 and 3 of the research methods which were mentioned in Figure 5.5 of Chapter 5. This chapter employs the “Design and Development” stages of the ADDIE instructional model as a framework. It focuses on a production of the reflective case studies as an instructional resource to enhance knowledge, skills and, in particular, ethics of auditing students in Thailand. The chapter is divided into five sections. The first explains principles and application of the instructional development. The second discusses on design of the preliminary instructional intervention. The third section describes development of the instructional intervention. Then, limitations of the design and development processes are explicated. Finally, the fifth section summarises overall actual practice of the instructional intervention for audit students in Thailand.

7.2 Process of the ADDIE – Design and Development

The empirical evidence in Chapter 6 recommended that case studies was one possible way to provide an instructional tool for audit students in Thailand. In order to close the performance gap, the ADDIE model suggests the next stages namely “the Design and Development” which refers to the “practical approach for the alignments of needs, purpose, goals, objectives, strategies and assessments” (Branch, 2009, p.59). The purposes of these stages are to produce and validate learning resources which must fulfil a lack of knowledge and skills of students (ibid). Noticeably, the ADDIE does not refer to a fulfilment of enhancing the ethical aspect of students. However, this thesis attempts to investigate whether the ADDIE model can be applied to enhance ethical sensitivity of auditing students. Thereby, this thesis adopted the processes of Design and Development in the ADDIE model to develop reflective case studies for auditing students.

With regard to the design phase of the ADDIE model, there are four main steps composed of conducting a task inventory, composing performance objectives, generating test strategies and calculating return on investment (Branch, 2009, p. 60). In addition, there are six steps related to the development phase; generating content, selecting or developing media, developing guidance for students, conducting formative revisions and conducting a pilot test (op cit.: p. 84) (also see Figure 5.7 of Chapter 5). The table below summarises the main concepts, principles and procedures of each step regarding the ADDIE-design and development.

Table 7.1: Summary of the ADDIE-Design and Development Stages

Steps	Principles
1. The ADDIE – Design stage	
1.1 Conduct a task inventory <ul style="list-style-type: none"> ➤ Identify specific tasks, which students need to learn, to achieve instructional goals 	<ul style="list-style-type: none"> ➤ Repeat the purpose statement ➤ Reaffirm the instructional goals ➤ Identify the primary performance tasks ➤ Specify knowledge and skills
1.2 Compose performance objectives <ul style="list-style-type: none"> ➤ Determine destination of learning such as abilities of students before and after the instructional implementation, including prerequisite tasks 	<ul style="list-style-type: none"> ➤ Specifically set performance objectives for each category of learning such as cognitive, affective and psychomotor domains ➤ Condition and criteria of learning are established at this stage.
1.3 Generate testing strategies <ul style="list-style-type: none"> ➤ Create strategies to test students' performance ➤ Ensure that students are able to accomplish goals and objectives. ➤ Test items should be reliable and encourage performance space. 	<ul style="list-style-type: none"> ➤ Test strategies refer to the verity between the task, the objective and the test item. There are three significant questions to consider: <ol style="list-style-type: none"> 1. Did the students demonstrate the desired performance? 2. Did the students meet the performance criteria? 3. Did the students perform under the specific conditions?
1.4 Calculating return on investment <ul style="list-style-type: none"> ➤ Estimate costs and benefits for the entire ADDIE processes 	<ul style="list-style-type: none"> ➤ Calculate costs of all five steps of the ADDIE processes ➤ Calculate potential benefits ➤ Calculate return on investment by using the formula as follows: ROI (%) = (Training Benefit/Training costs) x100 ➤ A high percentage of ROI refers that the project is beneficial. However, the designer should not overestimate the benefit of the project. Otherwise, it will be difficult to reach the goals.
2. The ADDIE – Development stage	
2.1 Generate Content <ul style="list-style-type: none"> ➤ Create a set of learning strategies 	<ul style="list-style-type: none"> ➤ Generate instructional concepts – the student-centred strategies should be a framework for accomplishing the performance objectives. The strategies should seek to accommodate students' capacity to construct knowledge and skills. ➤ Generate instructional theories - The instructional theory refers to the organisation of learning activities which facilitate the construction of knowledge and skills. In other words, content, resources and requirements of students are taken into account. At this stage, various instructional activities such as motivation tasks, role playing, project-based exercise and summaries can be developed and located at the beginning, the middle and the end of the intervention. Each activities should encourage students to practice the performance.
2.2 Select or Develop Supporting Media <ul style="list-style-type: none"> ➤ Develop media to achieve the performance objectives 	<ul style="list-style-type: none"> ➤ The media should be chosen to support instructional events. In addition, the media should facilitate capacity of both students and teachers. ➤ The development of media should be based on context, cultures, performance conditions and expectations.
2.3 Develop Guidance for the Student	<ul style="list-style-type: none"> ➤ A guidance for students is produced in order to help students understand the learning tasks. ➤ Three elements are taken into account: Organisation, Format and Quality.

Steps	Principles
➤ Guide information of the instructional intervention to students	➤ Organisation refers to a presentation of the guidance composed of title page, copyright, acknowledgement page, table of content, body, glossary and appendix ➤ Format refers to a presentation of module development comprising content presentation, exercise presentation and sequence within the module. ➤ Quality is reflected by structure and format of the guidance which should be clear, accurate and consistent.
2.4 Develop Guidance for the Teacher ➤ Guide information of the instructional intervention to teachers	➤ A guidance for teacher has same structure of development as the guidance for students. But, the guidance for teacher should be added more information regarding points of emphasis, leading questions, answers to leading questions, examples, and other important suggestions to facilitate students' learning.
2.5 Conduct Formative Revisions ➤ Revise the instructional products before the implementation	➤ Formative evaluation has three main categories: one-to-one trial, small group trial and field group trial. ➤ One-to-one trial means the instructional products are revised by individual designers to clarify the messages in the instructional resources. ➤ Small group trial refers to the revision for the effectiveness of the resource. To this end, feedbacks will be obtained from small group of participants (not more than 20 people) to verify the developed instructional product before the implementation. ➤ Field trial will be undertaken in order to ensure the quality of the instructional intervention. At this stage, the delivery system will also be tested before the actual utilisation.
2.6 Conduct a Pilot test ➤ Undertake a field trial for the final version of the instructional resources	➤ Students who participate in the pilot test are expected to achieve the performance objectives in the instruction. ➤ Students in the pilot test should be a representation of the actual group of students. ➤ The designer should not be involve with the intervention. On the other hand, (s)he should be an observer. ➤ Data will be collected on learner achievement, attitudes, instructor procedures and attitudes. It will be analysed to reflect overall pictures of the intervention. ➤ The consensus on the effectiveness of the instructional resources should be approved by the instructional development group, the external reviewers and the representative from management.

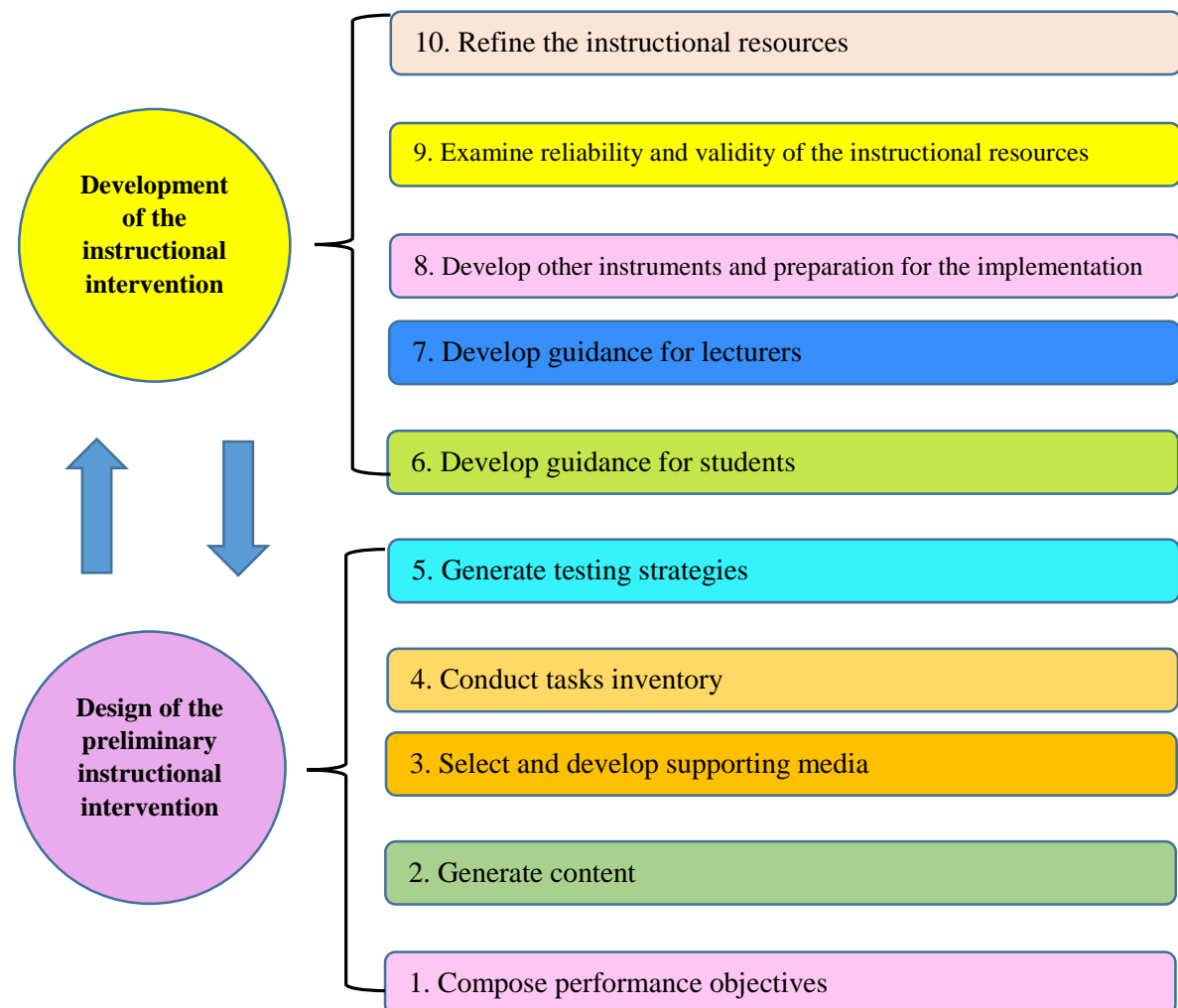
(Adapted from Branch, 2009, p. 59 – 131)

According to Branch, 2009, the ADDIE design and development stages are separate processes (Branch, 2009, p. 59 – 131) and seem to be linear processes. However, Reinbold (2013) argued that each phase of the ADDIE model appears to be overlapped in practice, as she noted:

“Although the ADDIE model phases are written in a linear order, it is more iterative and cyclical. All the phases intersect and impact each other, a feat that cannot be done in isolation. For example, a change in the analysis phase will impact the evaluation phase, just as a change in the development phase will impact the design. The phases can be worked on concurrently.” (Reinbold, 2013, p. 246)

Concurrent with Reinbold (2013), it is also found in this thesis that the design and development of the instructional intervention were flexible. For example, conducting a task inventory (in the Design phase) can be carried out at the same time as generating content (in the Develop phase). Therefore, the ADDIE - design and development phases in Branch's (2009) were combined together. In addition, each stage was reorganised to be more suitable for the actual practice. However, the main concepts of the ADDIE-Design and Development model were still complied. The figure below demonstrates the actual application of the ADDIE-Design and Development stages in this thesis.

Figure 7.1: The Actual Application of the ADDIE – Design and Development Phases in This Thesis



7.3 Design of the Preliminary Instructional Intervention

According to Figure 7.1, the design of the preliminary instructional intervention in this thesis comprises of five steps: (1) composing performance objectives, (2) generating content (3) selecting and developing media (4) conducting tasks inventory and (5) generating learning strategies. At this stage, this thesis focused more on designing the reflective case studies to close performance gap of the audit instruction in Thailand. The next sections will expand the each steps in details.

7.3.1 Compose Performance Objectives

The first procedure of the instructional design in this thesis started from setting performance objectives. According to the ADDIE model, composing performance objectives refers to determining abilities and prerequisite tasks of students. It depends on nature of the content which the instructors desire to deliver to their students. For example, if the instructors intend to deliver concepts, basically, instructional activities should be designed based on students' background. All learning activities should accommodate students' motivation, knowledge, skills and learning styles. On the other hand, if the instructors intend to deliver theory, they should focus on creating events to facilitate the interpretation, construction and manifestation of knowledge and skills. According to Branch (2009), performance objectives and learning outcomes can be set by categories of learning such as cognitive, affective and psychomotor domains of Bloom's Taxonomy (Branch, 2009, p. 67).

This thesis has examined the specific requirements for improvement in audit instruction as mentioned in Chapter 3, 4 and 6. In addition, the instructional intervention has main purposes to enhance not only professional knowledge and skills, but also ethics of individual auditing students. Therefore, performance objectives for the instructional intervention were particularly set associated with current practice and problems of audit instruction in Thailand. To this end, desired performance, conditions and quality of students' performance are taken to account as shown in Table 7.2.

Table 7.2: Performance Objectives of the Instructional Intervention for Auditing Learning in Thailand

Key elements for improvement of audit students	Performance Objectives	Condition	Criteria
1. Academic capability of audit students	1. Students are able to apply knowledge to real practice	Before the cases' implementation, students must have general background in subject matters relating to Fundamental accounting, Intermediated accounting, Business Administration and Professional Ethics	After the cases' implementation, students must be able to: 1. Identify significant threats which do not comply with the fundamental principles of the professional codes of ethics 2. Apply safeguards which are necessary to reduce the threats or mitigate them to an acceptable level 3. Perform as (team) audit practitioners to reflect on the ethical implications of specific circumstances and use critical skills in audit documentation to support the professional judgement
2. Professional skills	2. Students are able to perform professional skills ⁵⁵		
3. Professional ethics	3. Students are able to recognise rules and regulation in a sense of ethics rather than just remember the rules 4. Students are able to identify ethical issues and provide appropriate resolutions 5. Individual students are able to perform ethical behaviour		

It is noticeable that the ADDIE instructional design model highlights learning styles of individual students in the design process. Nevertheless, as discussed earlier in Section 3.3.1, this thesis concentrates on encouraging students to reflect on complex ethical circumstances in order to enhance deep and active approaches to students' learning rather than focusing on individuals' learning styles. Also, it is assumed in this thesis that there are a wide range of individuals' learning styles depending upon perspectives of students toward context or learning environment. On the other hand, this thesis assumes that providing collaborative, integrated and self-directed learning environment might stimulate students to take action through their experience. Eventually, students will

⁵⁵ This thesis aims to develop professional skills of audit students which are composed of critical thinking skill, decision making skill, problem-solving skill, judgement skill, analytical skill, collaboration skill, communication skill and professional scepticism.

transform to enhance holistic attributes within themselves. For this reason, individual learning styles were not related to the process of setting performance objectives of this thesis.

7.3.2 Generate Content

This section considers key elements such as content, resources and the requirements of students to develop the instructional resources. It aims to accommodate students' capability to accomplish the performance objectives. The empirical results in Chapter 6 certainly revealed that audit students and lecturers in Thailand required the development of case studies in the Thai context as an instructional tool. In particular, cases which are related to enhance ethical sensitivity of audit students were highly demanded. In addition, the prior literature emphasises advantages of using case studies to enhance professional knowledge, skills and ethics as discussed in Section 3.5.2 of Chapter 3. To this end, this thesis concentrates on the development of effective case studies which can be integrated in the auditing classroom. The cases must introduce critical reflective practice to students in order to encourage auditing students to acquire higher knowledge, professional skills such as professional scepticism, and ethical awareness.

There were four elements formulated as a framework of designing the reflective case studies: (1) The conceptual framework in Chapter 4, (2) Hidden curriculum, (3) Code of ethics in accounting profession and (4) Vignette and real-life situations.

A framework of designing the reflective case studies was underpinned by the conceptual framework in Section 4.5 of Chapter 4. Concepts of experiential learning and

transformative learning theories were adopted to generate content whereas concepts of reflective learning and project-based learning theories influences learning activities and learning outcomes. Firstly, experiential learning theory was incorporated for the depiction of new experience regarding ethical dilemmas. At this stage, inexperienced students will be challenged to understand circumstances, retrieve their prior knowledge and apply to solve ethical problems. These learning processes do not only generate a construction of new concepts, but also enhance professional skills such as problem-solving, critical thinking, decision making and professional scepticism within individual students. Secondly, concepts of transformative learning theory were also applied in creating case studies. The portrayal of ethical dilemmas also encourages students autonomously aware of ethical malpractice. This results in a cultivation of life-long learning and autonomous learning which are related to the concepts of transformative learning theory. Additionally, this thesis applied concepts of reflective learning and project-based learning theories to generate learning activities. Responding to the ethical dilemmas in case studies, students will be provoked to reflect on principles of the ethical codes, effects of ethical malpractices. In particular, project-based learning theory was applied to enhance sense of self-discipline, collaboration, and self-esteem of students. The detail of generating tasks inventory will be explained in Section 7.3.4.

The ideas of hidden curriculum were considered in developing the reflective case studies. The concept of hidden curriculum was derived from medical education and health sciences pedagogy. It refers to informal teaching methods which accommodate a construction of abstract knowledge. Educators believe that concepts of the hidden curriculum are beneficial to cultivate value judgements and moral sensitivity of their

students (Higashi, Tillack, Steinman, Johnston, & Harper, 2013). In this respect, teachers usually provide case studies relating to medical ethics, humanities, human values and self-awareness, including a description of ethical principles (Fryer-Edwards, 2002). Students are encouraged to identify moral issues, analyse moral problems and suggest alternative methods of resolve problems (O'Sullivan, van Mook, Fewtrell, & Wass, 2012). Eventually, students will be able to enhance their ethical awareness through their moral consciousness (Fryer-Edwards, 2002).

Professional codes of ethics appear to be the focal point for teaching ethics in professional disciplines. For example, medical education refers to the Hippocratic Oath and AMA Code of Medical ethics (Chunhui *et al.*, 2012). In nursing education, educators refer to the American Nurses Association's Code of Ethics in Nursing (ANA) (Dugus, 2005) and the International Council of Nurses' code of ethics for nurses (Numminen *et al.*, 2009). Codes of Engineering ethics (Colby & Sullivan, 2008) and the ABA 1908 Judge George Sharswood's legal ethics (Chunhui *et al.*, 2009) also mentioned in engineering and law education. These examples demonstrate that professional educators rely on rules and regulation of the professional codes when they teach professional ethics. The reason is that codes of ethics are central rules of the profession. Practitioners who have professional licenses have to comply with the ethical codes (Colby & Sullivan, 2008). In addition, being professional means that the performance of practitioners must be of high quality. Therefore, the professional code of ethics becomes an inevitable component for designing case studies. For this reason, this thesis located the regulation of the codes of ethics in accounting profession and the regulation relating to ethical conduct of auditors in Thailand as the central concept of the reflective case studies. There

were four regulations which applied into the design of case studies composed of (1) the Code of ethics for Thai Professional Accountants (FAP, 2012) – Section 2: Explanations of the code of ethics for auditing profession, (2) the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA, 2012), (3) Thai Standards on Quality Control 1 (TSQC 1) (FAP, 2014) and (4) the Thai Standards on Auditing (TSA) No. 220 – Thai Quality Control for an Audit of Financial Statements (FAP, 2014). Complying with the fundamental principles of the code of ethics for professional accountants in the Thai context, this thesis applied the codes comprising of Transparency, Independence, Objectivity, Integrity, Professional Competence and Due care, Confidentiality, Responsibility for clients, Responsibility for shareholders, partners, persons or juristic persons whom the auditors perform the auditing for, and responsibility for professional accountants into three case studies (see Table 7.3).

Other important components are vignettes and real-life situation. Vignette is a technique which is used in portraying scenarios in case studies. Professional disciplines such as medicine and nursing successfully apply this technique in pedagogy to enhance competence and ethics of their students. For instance, vignettes are utilised in medical teaching to illustrate a short summary of patients' symptoms. It conveys real-life situations to encourage problem solving skills among medical students (Nendaz *et al.*, 2000). Most professional educators agree on providing real-life situations to enhance ethical aspects of their students e.g. Tysinger *et al.* (1997), Lemonidou, Papathanassoglou, Giannakopoulou, Patiraki and Papadatou (2004) and Cooper *et al.* (2008). Therefore, the reflective case studies (see Appendix 5) in this thesis were based on real ethical and moral dilemmas in Thailand. Additionally, both Thai lecturers and

students agreed that audit working paper, including fraud and risk assessment represented one of the top-three most difficult topics to convey in auditing (as mentioned in Section 6.4.1 of Chapter 6). To this end, content of fraud, risk assessment, creative accounting and audit working paper were combined as the themes of telling stories of complex ethical dilemmas. The output of this thesis aims to encourage students to connect theoretical knowledge to practice. So, it assumes that dealing with complex and difficult scenarios, students might be able to enhance the sense of ethics. This idea is also concurrent with academics in professional disciplines who noted that encountering ethical complexity can stimulate active learning and reflective thoughts of students e.g. Mills and Treagust (2003), Amat and Gowthorpe (2004), Cooper *et al.* (2008) and Popil (2011). Real scenarios regarding fraud, risk assessment and creative accounting from multiple resources were selected. Finally, three case studies were developed based on true stories comprising (1) Asset Misappropriation, (2) Accounting Fraud and (3) Bribery and Corruption⁵⁶ (see Table 7.3).

The first scenario was drawn from a true story of two public limited companies in Thailand and the news from internet websites. The second scenario was derived from the real cases of the Supreme Court of Thailand and the Securities and Exchange Commission (Bagley & Harp, 2012). The third reflective case studies were gleaned from the real case of the Department of Special Investigation of Thailand (DSI), academic papers, whistle blowers and informal interviews of accounting practitioners in Thailand. All the real cases were disclosed to the public. Thus, there was no obstacle relating to client's

⁵⁶ The topics of case studies were gleaned from the top three economic crimes to occur in Asia Pacific and Thailand (Price Waterhouse Thailand, 2011, Retrieved July 4, 2014, from www.pwc.com/th/en/press-room/highlight-coverage/2012/assets/)

confidentiality. In addition, the designed case studies provided more information about business environment and background of the companies in order to reduce the problems of narrow explanation in case studies as discussed before in Section 3.5.3 of Chapter 3. Moreover, students were allowed to receive more details and explanations from the lecturer during the cases' implementation. However, this thesis changed the names of the companies and the amount of accounting information in order to make the cases appropriately anonymous. The Table below summarises the framework of designing the reflective case studies for audit instruction in Thailand.

Table 7.3: Framework of the Reflective Case studies (Vignettes)

Vignettes	Fundamental Principles of the Code of Ethics in Accounting Profession	Real scenarios from	Sources
1. Asset Misappropriation	<ul style="list-style-type: none"> ❖ Transparency ❖ Independence ❖ Objectivity ❖ Integrity ❖ Professional Competence and Due care 	<ul style="list-style-type: none"> ❖ Nippon (Thailand) ❖ Roynet 	<ul style="list-style-type: none"> • News from The Securities and Exchange Commission, Thailand, 2014, Retrieved July 4, 2014, from http://www.cgsec.or.th.corpweb/newsdetail2.jsp?sDate=20120403&seqNo=56
2. Accounting Fraud	<ul style="list-style-type: none"> ❖ Professional Competence and Due care ❖ Confidentiality 	<ul style="list-style-type: none"> ❖ The Supreme Court of Thailand ❖ The Securities and Exchange Commission (SEC) 	<ul style="list-style-type: none"> • Article from Bangkokbiznews, 2014, Retrieved July 2014, from www.108acc.com/articles/141770 • Article from Supreme Court of Thailand, 2014, Retrieved July 3, 2014 from http://deka2007.supremecourt.co.th/deka/web/docdetail.jsp
3. Bribery and Corruption	<ul style="list-style-type: none"> ❖ Responsibility for clients ❖ Responsibility for stakeholders ❖ Responsibility for professional accountants 	<ul style="list-style-type: none"> ❖ In-depth interview with Thai accountants ❖ Whistle blowers ❖ Academic paper ❖ Department of Special Investigation (DSI) 	<ul style="list-style-type: none"> • Internet Website Department of Special Investigation (DSI), 2014, Retrieved June 23, 2014, from http://www.dsi.go.th/view.aspx?tid=T0000297

7.3.3 Select and Develop Supporting Media

The instructional media is a very crucial tool to empower the students to achieve the desired performance as Branch (2009) stated that “...Instructional media are intended to enrich the learning experience by using a variety of tangible items to facilitate the performance objectives....” (Branch, 2009, p. 97). The instructional media is necessary for motivating students’ learning. For example, in vocational education, educators utilise various media to their teaching such as written media, visual media, audio media, visual-audio media, three-dimensional media and multimedia (Ghasemnezhad & Zameni, 2014). According to Ghasemnezhad and Zameni (2014), written media such as books, megazines and educational publications influence professional development in high schools in Kuwait (Ghasemnezhad & Zameni, 2014).

This thesis attempts to motivate students’ effective learning by creating reflective case studies as the main instructional media. Furthermore, other supplement instructional media is also developed such as PowerPoint presentation and learning materials⁵⁷. A PowerPoint presentation was developed as one of supplement instructional media. There were six topics chosen to revise and provide important information to students before the cases’ implementation. The topics were related to general concepts of auditing, audit procedures, audit working paper, the code of ethics in accounting and auditing professions, threats and obstacles which might cause auditors conduct against the ethical

⁵⁷ This thesis inserted ethical codes and relevant accounting standards as learning materials. For example, the Code of ethics for Thai Professional Accountants (The Federation of Accounting Professions, Thailand, 2012), the Codes of ethics for professional accountants of the international ethics standards board for accountants (The International Accounting Education Standards Board (IESBA), 2012), Thai Standards on Quality Control 1 (TSQC1) (The Federation of Accounting Professions, Thailand, 2014) and Thai standards on Auditing (TSA) No. 220 – Thai Quality Control for an Audit of Financial Statements (The Federation of Accounting Professions, Thailand, 2014) were delivered to students while using the cases.

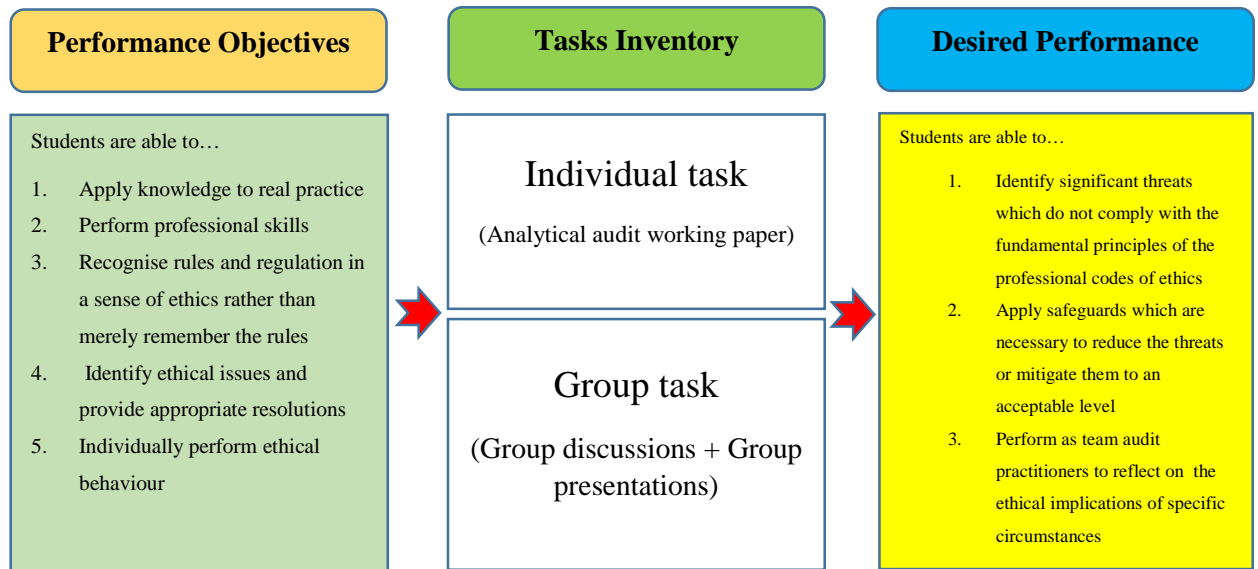
codes, including concepts of a reflective writing and project-based learning. Moreover, concepts and objectives of the instructional intervention were explained to students through the PowerPoint presentation.

Apart from the PowerPoint presentation and the learning materials, students could acquire other media such as internet websites, academic journals, textbooks, audio media, visual media and so on. As noted earlier in Chapter 4, this thesis applied concepts of transformative learning and project-based learning theories which support autonomous, self-directed and life-long learning. Thus, students were widely given an opportunity to access various kinds of instructional media to support their intention. Learning environment was not only limited in a classroom. In the meantime, the role of the lecturer is to serve as an instructional facilitator.

7.3.4 Conduct Tasks Inventory

Conducting tasks inventory refers to identifying specific tasks which students need to learn in order to achieve the goals (Branch, 2009). This stage concerns with determining performance tasks to accomplish the instructional objectives. In this manner, this thesis attempts to connect the performance objectives to the desired performance by using two main tasks composed of individual and group tasks, as displayed in Figure 7.2.

Figure 7.2: The Tasks Inventory Applied in This Thesis



The first task of students was an individual task namely “an analytical audit working paper: ethics and moral consideration”. The idea of this task came from concepts of reflective practice, reflective writing and documentation.

7.3.4.1 Integrating Concepts of Reflective Writing and Documentation

Reflective practice is defined as “a process of becoming aware of one’s context, of the influence of societal and ideological constraints” (Calderhead, 1989, cited in Leigh & Bailey, 2013, p. 161). Whilst, reflection refers to a process of transformation where individuals can access prior experience and stimulate a construction of knowledge (Johns & Freshwater, 2005, cited in Howatson-Jones, 2013). Reflective writing is an effective technique to enhance ethical sensitivity of students in the health sciences professions. In medical education, educators apply concepts of reflection and reflective practice to documentation (Mann *et al.*, 2009; Howatson-Jones, 2013). For example, Nursing journals and Nursing guided reflection or Pro forma for documenting guided reflection

(Lemonidou *et al.*, 2004) are used as formative documentation to record routine experience of nurses. Especially, practitioners regularly record ethical matters such as beneficence, non-maleficence and ethical conflicts throughout the treatment. Similarly, physicians use “Narrative Medicine” to record clinical experience. Examining narrative medicine, a doctor is better able to understand their role, responsibility and significance of ethics upon their profession (Charon, 2001).

These examples demonstrate the benefits of reflective writing to professional development. Even though this technique is broadly used to deliver ethical knowledge and a sense of experience to students, prior literature fails to address reflective writing and documentation in the audit profession. In particular, ethical and moral considerations are rarely conducted or recorded in audit working paper (Yarana *et al.*, 2014b, p. 18). In fact, the audit professional has a documentation method which is called “audit working papers”. It is utilised as a communicational tool within an audit team. Basically, audit working papers provide information about events and business transactions which were audited in the prior years. They also record audit performance, evidence, all major decisions made during the auditing (Hubbard, 2000) and final conclusion (Whittington, Graham, Fischbach, & Ahern, 2006). However, audit practitioners seem to emphasise numeric and quantitative information rather than reflection of ethical issues (Yarana *et al.*, 2014a, pp. 15-16). Today, audit documentation is also required for qualitative risk assessments. For instance, Piercey (2011) stated that “Documentation requirements simply open qualitative risk assessments to more potential scrutiny” (Piercey, 2011, p. 224). Qualitative details provide valuable information to support the audit engagement.

Thus, audit judgement and underpinning rationales are demanded to add in the audit working paper (Piercey, 2011).

For this reason, this thesis integrated the concepts of reflective writing and audit documentation into the designed case studies. It aims to challenge students to reflect their thoughts and express their perspectives toward ethical dilemmas through the individual audit working paper. Students were encouraged to analyse ethical issues in the cases, identify related principles of the codes of ethics in the auditing profession, determined threats which might cause ethical malpractice of auditors. Finally, students were required to suggest possible safeguards which could be necessary ways to reduce ethical dilemmas. Practicing the reflective writing, students will be trained to generate critical thinking. The case scenarios encouraged students to raise questions (scepticism), examined and recalled previous knowledge and experience, including selected alternative ways to resolve problems. This process guides students to transform new knowledge. Eventually, students might change their perspectives and conduct ethical behaviour (Lucas, 2011, cited in Yarana *et al.*, 2014b, p. 15-16). Moreover, the individual audit working paper task practised students to enhance analytical skill and written communication skill. It also mitigated problems of passive learning and poor generic skills of auditing students as stated earlier in Section 3.3.2 of Chapter 3.

The second task of students were group tasks. According to Figure 7.2, two group tasks were created: (1) group discussions (2) group presentations.

First, group discussions occurred after individual students finished their own audit working paper. In this manner, the students were required to form a group. Students who had been assigned to work on the same case study had to explain their individual audit working paper to the group members. Also, students were required to explain general concepts, analyse ethical issues, express their opinions and suggest alternative solutions. After the members shared individual ideas, each group must have a consensus and conclusion. Students also took responsibility to arrange a plan for a group presentation. In the meantime, the lecturer played a role as an observer who facilitated students' learning. The rationale for this task derived from the problems of audit instruction mentioned in Section 3.3.1 of Chapter 3. Currently, audit instruction worldwide seems to apply traditional methods which result in passive and surface learning approaches. The empirical evidence from Thailand discussed in Chapter 6 also emphasised that passive, repetitive and superficial learnings constantly appear as major learning strategies of Thai auditing students. Thereby, this thesis tried to reduce this problem by locating group discussions as a learning task of the intervention. This activity does not only introduce active, comprehensive and deep learning to students, but also encouraged students to share their ideas through the discourse.

Other evidence, which supports the idea of adding group discussions into ethics teaching, is a study of Tysinger *et al.* (1997) who carried out empirical research within medical pedagogy. According to Tysinger *et al.* (1997), three case studies were provided to medical students who enrolled in the course "Introduction to Clinical Medicine-1" in a university in the U.S. The case content was concerned with human behaviour, basic science, clinical medicine and prevention learning issues. Students were assigned to

identify ethical problems, specify learning issues and resolve ethical dilemmas in group. Eventually, students had to summarise cases and write a group essay. The results revealed that problem-based learning engendered an active learning environment. Moreover, students were able to analyse ethical problems, interact with their peers and enjoyed sharing their ideas with a small group (Tysinger *et al.*, 1997). This example raises the question of whether audit students could apply group discussions to their ethics learning. This thesis assumed that this learning activity might enhance effectiveness of the Thai students' learning. Therefore, a group discussion was inserted as one of learning tasks in this thesis.

Secondly, group presentations were contained in tasks inventory. The idea came from the conceptual framework and concepts of project-based learning as mentioned in Chapter 4 (see Figure 4.5). According to Figure 4.5, project-based learning theory influences collaboration skill and communication skill of students. Working in a group, students will be able to drive their own learning through inquiry. In addition, team work will engender peer pressure which can contribute to task accomplishment (Bell, 2010, p.39-43). Moreover, social learning can construct accountability, productive communication and self-evaluation within the team. Students can acquire deeper learning from their own intention. They will spontaneously raise questions, gather information, gain intrinsic motivation, reflect their individual thoughts and finally acquire a new knowledge. This integrated learning strategy also cultivates students' ability to acquire self-directed and life-long learning (ibid). In this respect, this thesis set group presentations as a final task for each group. Students were required to prepare a thirty-minute presentation. There were 20 minutes for presentation and 10 minutes for

discussion in the classroom. The group were free to create their own presentation. They were allowed to use various kinds of media, visualisations, including PowerPoint presentation. Each group performed as an audit team who provide important information and recommendations to their clients. After the group presentations, other students were allowed to ask questions and provide some comments on the presentations.

7.3.5 Generate Testing Strategies

The ADDIE-design phase suggests that the designer should create testing strategies to ensure that students are able to achieve learning objectives and goals. Testing strategies should verify that students perform the expected criteria. In addition, testing items should be reliable and encourage performance space (Branch, 2009). To this end, this thesis designed and determined assessment criteria that the reflective case studies were worth 20 percent of the total course assessment. The lecturer gave scores from the quality of the individual audit working paper and the group presentations in the classroom. The major making scores were consisted of three performances: (1) individual audit working paper, (2) group discussions and (3) group presentations. The lecturer graded students from their written work, observation, interaction and presentation in the classroom.

7.4 Development of the Instructional Intervention

The development of the instructional intervention took place after the design of preliminary instructional intervention. The purposes of this phase are to generate and validate the designed learning resource (Branch, 2009, p. 83). In addition, at the end of

the phase, the designer should gain a comprehensive set of all learning resources which is ready for the actual implementation.

7.4.1 Develop Guidance for Students

The development of guidance for students refers to providing guidance relating to learning strategies and instructional media throughout the intervention (Branch, 2009). According to Branch (2009), there are three types of information which should be contained in a guidance for students: (1) Organisation, (2) Format and (3) Quality (Branch, 2009, p. 112). Branch (2009) noted that guidance for students should be composed of a title page, copyright, acknowledgement page, table of contents, body, glossary and appendix. In addition, every module or section should contain main content and exercises. Each module should be consistent and orderly. A guidance for students should also be clear, accurate and consistent (Branch, 2009).

For this study, there were two ways to provide information to students. First, concepts of the instructional intervention were introduced to students by the lecturer before the cases' implementation, as mentioned earlier in Section 7.3.3. Second, instructional material called "Vignettes to enhance ethical sensitivity of auditing learners" was distributed to students (see Appendix 5). The instructional material outlined general information, specific objectives of the case studies, instructional strategies, instructional activities, details of assignments, expected learning outcomes, including study hours, role and responsibility of the lecturer and students and assessment criteria. However, students were given an option to voluntarily participate in this study. They might stop at any time if they felt uncomfortable. The instructional material also noted that all of the information

provided would be kept confidential and would be used only in this study. Students were free to contact the lecturer anytime if they had questions.

7.4.2 Develop Guidance for Lecturers

This stage refers to providing guidelines for lecturers (Branch, 2009). According to Branch (2009), a guidance for teacher influences intentional learning of students as the “vehicles that define the quality of the entire instruction” (Branch, 2009, p. 118). The structure of a guidance for lecturer is similar to a guidance for students. However, a “How to use this guide” section should be added as an important information for the lecturer (Branch, 2009, p. 119).

This thesis developed a guidance for teacher in terms of a “Teaching Note” (see Appendix 6). There were six main sections of the teaching note comprising (1) Introduction, (2) Learning objectives, (3) The instructional resource cases: Vignettes, (4) Teaching schemes, (5) Assessment and (6) Possible solutions for the cases.

The first section of the teaching note was an introduction section. It guided general background, motivation of the cases development and importance of the reflective case studies to enhancing ethical sensitivity of auditing students. Additionally, integrated concepts of learning theories were also explained in this section. The second section clarified main objectives of the instructional intervention. To this end, four objectives were identified. Students were expected to determine ethical issues through the lens of the ethical codes, identify threats which might cause malpractice of auditors, suggest alternative ways to reduce threats and resolve ethical issues in the cases. Finally, students

were trained to reflect and provide ethical reasons, including concern about effects of ethical malpractice. The third section of the teaching note referred to original sources for developing the reflective case studies. The fourth section explained how to use the instructional resources through teaching schemes. Within this section, details of study time, instructional materials and instructional activities were provided. The fifth section suggested evaluation methods and assessment criteria. Finally, possible solutions for each reflective case were contributed.

7.4.3 Develop Other Instruments and Preparation for the Implementation

The designed instructional intervention is an integral part of this study as mentioned before in Section 5.3 of Chapter 5 regarding the research design and methods of this thesis. In order to affirm effectiveness and quality of the instructional resources, other instruments were also developed for the data collection process. The research instruments composed of (1) letter of introduction for lecturer and students (see Appendices 13 and 14), (2) consent form for research ethics on human participants (see Appendix 1), (3) open-ended questionnaire (applied before the cases' implementation) (see Appendix 7), (4) self-reflective writing tasks (applied after the cases' implementation) (see Appendix 8), (5) focus group questions (Appendix 9). Additionally, a study protocol was also composed for the ethical approval from the University of Dundee (see Appendices 11 and 12). All research instruments were reviewed under supervision of the thesis supervisors. After receiving comments from the supervisors, the researcher refined and revised the completed version of those instruments before the implementation.

7.4.4 Examine Reliability and Validity of the Instructional Resources

This stage aligns with the “conduct formative revisions” stage of the ADDIE – Development phase. The main purpose of this stage is to improve quality of the instructional resources (Branch, 2009, p. 122). In fact, the ADDIE model suggests two main types of evaluation: formative and summative evaluation. The formative evaluation means the process of collecting data that can be used to revise the instruction before implementation, whereas the summative evaluation is defined as the process of collecting data after implementation (ibid). This section focuses on examining reliability and validity of the instructional resources before the implementation. The evaluation after the cases’ implementation will be discussed later in Chapter 9.

According to Table 7.1, conducting formative revisions in the ADDIE model has three main types: (1) one-to-one trial, (2) small group trial and (3) field group trial. This thesis employed a small group trial to revise effectiveness of the resources. To this end, the experts’ review was employed as a method of examination. There were three experts from the UK and five experts from Thailand who were working in academic and auditing fields (see Appendix 10). These participants were contacted by e-mails from July 2014 to September 2014. The developed reflective case studies were attached in the emails, and all experts were asked for comments on content, learning activities and assignments in the case studies.

7.4.5 Refine the Instructional Resources

After the experts considered the developed case studies, they provided valuable comments (some examples were exhibited in Appendix 15). The researcher continuously

refined and improved details of the cases as the experts recommended. Eventually, the final version of the reflective case studies was completed within three months (from July to September, 2014) (see Appendix 5).

7.5 Limitations

There are some limitations in application of the ADDIE – design and development processes. Firstly, this thesis has not estimated return on investment of the entire ADDIE processes. The reason is that this thesis serves an academic purpose rather than a business purpose. There is no budget from specific clients. Secondly, this thesis has not conducted a pilot study before the implementation due to the time constraint. There was only an auditing course enrolled in the academic year 2014 at Naresuan University. At the same time, there were enrolments of auditing courses in most universities in the UK. Thus, I could not conduct the pilot test because the study duration would be more than 4 years. However, there were iterative revisions under the supervision of research supervisors and experts. Rather than conducting a pilot test, crucial guidances from the experts encouraged me (as the designer) to deliberate, study and improve the instruction tools. This made the refinement of the instructional resources was more cyclical. For this reason, the design and development processes conducted in this thesis seems not to follow the steps of the ADDIE model.

7.6 Summary

This chapter has provided some details of the design and development of the instructional resources for auditing students. The reflective case studies and other instructional instruments were designed and developed by using a framework from the

ADDIE instructional design model. The instruments were verified by experts such as research supervisors, academic and professional experts. The completed version of the instructional resources were ready for the actual implementation. The next chapter will explain empirical results regarding the implementation stage of the ADDIE model. Upon the completion of the implementation stage, there will be a discussion on effectiveness of the instructional intervention for the auditing learners in Thailand.

CHAPTER EIGHT

ADDIE – IMPLEMENTATION: EMPIRICAL

RESULTS OF OBSERVATION AND OPEN-ENDED

QUESTIONNAIRE

8.1 Introduction

This chapter reports the results from observations and the open-ended questionnaire of the second empirical fieldwork. It describes Phase 4 of the research methods which was mentioned in Section 5.3 of Chapter 5 (see Figure 5.5). The purposes of this chapter are four fold: (1) to explore learning environment and students' response before the implementation of case studies (2) to explore students' perspectives on learning ethics in accounting profession before the implementation of case studies (3) to illustrate students' performance during implementation of the cases (4) to form a conclusion of significant features of auditing students' ethical learning before and during the implementation of the case studies. The empirical results are divided into three main parts. Firstly, the chapter starts with the learning environment and students' response before the implementation of the reflective case studies. Next, the open-ended questionnaire findings demonstrates students' perspectives on and understanding of learning ethics in accounting and auditing. Thirdly, there is an explanation of students' performances during the instructional intervention. Finally, there is a summary and discussion of significant features of students' ethical learning before and during the cases' implementation.

8.2 Process of the ADDIE - Implementation

The implementation of cases in this thesis aligns with the implementation phase of the ADDIE instructional design model. Accordingly, implementation refers to the preparation of instructors, students and learning environment. These elements were set up to facilitate students' to effective construction of new knowledge and skills. In addition, the preparation of instructor and students also paves the way for the end of formative evaluation (Branch, 2009, p. 133). There are two main elements of the implementation process: (1) Prepare the teacher and (2) Prepare the student. The first element is the preparation of a facilitator plan. A facilitator plan refers to an identification of teacher qualifications, learning schedule, including training the trainer. At this stage, qualifications of teachers such as specific certification, pre-requisites knowledge and skills of teachers are determined. In addition, teachers must be clear about concepts of the newly instructional resources and their role in the learning environment. According to Branch (2009), the role of the teacher in learning environment should be the primary facilitator in the intentional learning environment (Branch, 2009, p. 134). Teachers are also required to explain original performance gap, content area, instructional strategies and active practice of the newly instructional intervention.

The second element of the implementation process is the preparation of student. It refers to a determination and preparation of active learning environment. Significant concepts of the newly developed resources, expected knowledge and skills will be described to the students. Moreover, this process informs the role of students as self-directed learners who are able to interpret and understand the meaningful content and interaction with their peers in the classroom. Upon completion of this process, a learner

plan is produced. According to Branch (2009), four components are recommended from contain in a learner plan composed of (1) Identification, (2) Schedule, (3) Pre-course Communication and (4) Tracking (Branch, 2009, pp. 144 – 145). Identification is the confirmation of students' learning styles, students' pre-requisites knowledge and skills, student recruitment and student retention plan. Schedule means a specification of study schedule, including number of students, venue and location. Whilst, the pre-course communication is noted as an explanation in details of logistical arrangement such as location, date, period of study, accommodation and transportation during the instructional intervention. In addition, anticipated learning outcomes such as individual performance and group projects are recommended to explain to students. The purpose of this stage does not only provide an information of the intervention, but also stimulate positive attitudes of students toward the instruction (Branch, 2009, p. 146). Besides, student records such as examinations, scores, and assessments, which are called "tracking" (ibid), must be also clarified to student.

Although the ADDIE – implementation process expects a production of facilitator plan and learner plan. In practice, it appeared that the actual implementation provides rich information and important results rather than merely setting a plan. In order to justify the qualification of the developed instructional intervention in this thesis, the presentation of the empirical results was reorganised by seperating the results into two chapters. In this chapter, empirical results concerning before and during the cases' implementation will be reported. This thesis aimed to demonstrate students' perceptions and performance from the open-ended questionnaire and observation. In the next chapter, there will be in-depth details of students' responses after the cases' implementation. Subsequently, a

consideration on whether the newly instructional resource is beneficial in closing performance gap of audit instruction in Thailand will be conducted in Chapter 9. Even though the implementation and evaluation processes of the ADDIE model are actually overlapped in practice, this thesis still complied with the main concepts of the model.

8.3 Learning Environment and Students' Response before the Implementation of the Reflective Case Studies

8.3.1 Preparation of Instructor

The ADDIE model refers to a facilitator plan where an effective teaching strategy and learning resources are prepared for the instructor. As mentioned in Chapter 7, the instructor realised that his or her role was changed from a controller to a facilitator who advises and assists students. To this end, the facilitator plan comprised an identification of qualified teacher, setting a schedule and ensuring the instructor was organised. With regard to the ADDIE concepts, this exercise began with selecting an experienced lecturer. The researcher contacted an auditing lecturer who was teaching an auditing module namely "Auditing (222305)" at Narasuan University, Phitsanulok province, Thailand three months before implementation of the instructional intervention. The lecturer had taught this module since 2010 and she had more than ten-year experience in accounting and auditing. Initially, the lecturer was contacted via telephone and e-mails to explain the concepts and contributions of this thesis. After that, the researcher sent all learning resources and research instruments such as an introduction letter, a study protocol, a teaching note, reflective case studies, questionnaires, a reflective writing task and focus group questions to the lecturer. All details were discussed. Finally, the lecturer agreed to participate in this experiment.

Before an implementation of the instructional introduction, the teaching plan and schedule were organised in a study protocol (see Appendix 11). The researcher arranged an appointment with the lecturer to discuss the teaching plan and schedule. All learning materials such as teaching notes, reflective case studies and study protocol as well as core concepts of the instructional intervention were revised to assure that the lecturer understood the overall concepts and would act as a facilitator who had a responsibility to advocate the instruction in the classroom (Branch, 2009).

8.3.2 Preparation of Students

The implementation stage of the ADDIE model proposes that students should be ready for constructing new knowledge. Thus, students are expected to be active participants and be able to interact with the instructional intervention (Branch, 2009). To this end, a learning plan was organised as a tool to prepare students. The learning plan comprises four elements: (1) Identification refers to determining students' pre-requisite knowledge and skills, and providing course information to students (2) Setting a schedule refers to determining number of students in the classroom and arranging meeting venues (3) Pre-course communication refers to explaining detail regarding location, date, anticipated outcomes and other essential preparation to students (4) Tracking means describing further details on examination, scores and assessments to students (Branch, 2009).

Embracing the ADDIE concepts, the learning plan of this study was set up before the real implementation as stated in Chapter 7. In actual practice, this thesis specifically applied the reflective case studies to third-year undergraduate students who enrolled in

the auditing course in the first semester of the academic year 2014 at Naresuan University, Phitsanulok province, Thailand. The reason is not only because of the convenience, but also to aid generalization. This thesis aims to provide greater insight into effectiveness of the reflective case studies utilized to auditing students in broad Thai context. As mentioned in Chapter 6, there is only one auditing module which is compulsorily taught in the accounting curriculum of most universities in Thailand, so Naresuan University is a representation of a standard university in Thailand. In addition, this thesis intends to implement the case studies with third-year undergraduate students because they have possessed background in both fundamental and intermediate accounting. Also, the students have studied pre-requisite subjects such as professional law, taxation and business ethics which would help them to undertake the case studies (as mentioned earlier in Chapter 6 and 7).

The learning schedule was arranged beforehand. The experimental instruction was planned to take place at Queen Sirikit Building, room number QS3212 and QS 4202 at Naresuan University. There were 81 students who registered and attended the Auditing (222305) module. The students had to study nine hours per week comprising two lecture hours, two tutorial hours and five independent study hours. It lasts 15 weeks including examination weeks on week 8th and week 15th. The instructional intervention was held in week 11th to 13th because students were supposed to acquire knowledge regarding audit procedures, audit working paper and ethics in accounting profession. Also, the students were assumed to have passed the midterm examination. This should ensure that the students had attained essential concepts relating to the audit profession.

Pre-course communication and tracking occurred on the induction day. The researcher privately talked to the students in the classroom, introduced herself and explained the concepts and contributions of this experimental study to all students. Students were informed that they would work on reflective case studies during a period of the experiment. Each student was asked to reflect their individual thoughts in an audit working paper. Subsequently, students were expected to work in groups. After explaining their individual audit working papers, each group would find a consensus opinion and prepare for a presentation. However, the learning process during the experiment was project-based learning which meant that all students should be independent and creative. Students were not required to attend the class and they were encouraged to ask any questions or discuss issues with the lecturer. Therefore, students had responsibility for time management and quality of their work. All performance of audit working paper, group discussion and group presentation would be observed, and assessed by the lecturer. The lecturer explained the assessment criteria to the students that she would mark 10 % of the overall score for individual audit working paper and 15% of the overall score for group presentation task. There were five main aspects to consider in the group presentation comprising content, participations, creativity, media, and answering the questions after the presentation (in terms of group).

After the pre-course explanation, the researcher provided each student with a letter of introduction, an information sheet, a consent form and an opened-ended questionnaire. Students were asked to fill in the forms and return them to the researcher directly. The students were informed that they would be voluntary participants meaning they have an option to do questionnaire, reflective writing task and focus group. Eventually, there were

77 students who completed the consent forms and questionnaires accepting to be research participants.

8.3.3 Learning Atmosphere and Students' Response

After the students returned the consent forms and questionnaires, the lecturer continued her teaching. She revised concepts of auditing procedures, audit working papers, fundamental principles of ethics in auditing professions and threats which do not comply with the code of ethics. She also explained the concepts of transformative learning, reflective writing, and project-based learning to the students. Next, students were given an opportunity to form three groups according to the three case studies. At this stage, the lecturer provided a reflective case study and gave overview of the cases to each group ensuring that students understood the overall concepts. The researcher observed that students tended to be unwilling to participate in the activities. For example, some students were quiet and avoided making eye contact with the lecturer, some students were inattentive whereas other students seemed more intent on their own study. Students were noticed as being quite concerned about the new assignment. Some students had anxiety about the audit working paper and examination which might impact on performance because they have not utilised case studies before. However, some students were delighted to work on project-based learning because they were allowed to work independently and they had an option not to attend the class.

8.4 Open-ended Questionnaire and Findings

The open-ended questionnaire consists of ten questions (see Appendix 18) aiming to understand how auditing students learn and understand ethics in accounting

professions. There were ten main issues that arose from the questionnaire responses as follows:

Auditing is not enjoyable

Students are not confident on entering to the auditing profession

Studying ethics in accounting modules

Definitions of ethics

The importance of ethics in accounting and auditing

The delivery of ethics in accounting and auditing

Ethical case studies in auditing learning

Methods benefit learning of ethics in accounting and auditing

Students' reflection on what they have studied

Other methods which would help learning of ethics

The following sections will consider each of these issues in more detail.

8.4.1 Auditing is not Enjoyable

Auditing is viewed as an unenjoyable subject. According to the first question exhibited in Appendix 19, most of the respondents (44 of 77 respondents or 57.14%) did not enjoy studying auditing. There are many reasons to explain the negative attitudes of the students. First, students complained that content in the auditing module was too much and too difficult to understand. As respondents A55⁵⁸ stated:

“I think auditing has abundant theoretical content. But, I still don’t know how to apply the content in practice. The reason is that I don’t have any

⁵⁸ In this chapter, respondent “A” refer to auditing students who contributed information to the open-ended questionnaire.

experience, so I can't imagine and understand clearly. I think auditing is boring.” (A55)

Moreover, students complained that they did not have experience, so they cannot visualise and understand actual practice. For example, respondent A35 noted:

“I haven't seen the real auditing practice. I am learning theories which is so different from real practice. Personally, I want to work in this profession. I think, I would rather study from real situations than lectures.” (A35)

Similarly, respondent A23 added that having no experience, she could not start working in the real situations, as she said:

“I don't like auditing because this subject has so much theoretical content but I can't imagine how to apply them in real practice. For example, I can't do audit working paper and I have no idea how to start doing it.” (A23)

These comments are similar to Frakes (1987) who stated that auditing is difficult to teach because students lack of experience while the nature of auditing is likely to be a combination of theoretical and practical aspects (Frakes, 1987). Therefore, teaching auditing is more difficult than other disciplines in terms of bridging between theories and practice, as Brown and Lint (1982) stated:

“The nature of auditing itself may account for such diversity because contrary to many other courses in a typical accounting curriculum, auditing is highly theoretical in nature but extremely pragmatic in orientation. This contrast makes it difficult to develop appropriate instructional techniques” (Brown and Lint, 1982, p. 94)

A significant problem in auditing instruction is that students are novices and immature (Jay Bonk and Smith, 1998). They do not have working experience and deep understanding in the content. Moreover, traditional learning activities, which are currently used, over concentrate on memorisation of facts and technical content (Adler & Milne, 1997, pp. 191-192; Kavanagh & Drennan, 2008, p. 282). Students have to deal with a heavy workload, high lecture hours, overwhelming materials whereas problem-solving and creative thinking are scarce (Adler & Milne, 1997, pp. 192-193). This traditional method seems to fail in linking between theory and practice. Chaffey *et al.* (2011) argued that attending class in a large lecture theatre, students rarely absorb teaching resources. Also, they could not create their own knowledge (Chaffey *et al.*, 2011). Eventually, the students tend to learn by repetition which is a superficial learning style (Engle and Elam, 1985; William, 1978 cited in Frakes, 1987). The findings from the open-ended questionnaire supported the empirical results in Chapter 6 highlighting that auditing students in Thailand strictly adhered to the traditional instruction before the cases' implementation.

Students viewed that the atmosphere and usual delivery method in the classroom were not interesting. For instance, respondents A28 stated:

“The lecturer’s teaching method was not interesting. She never pointed up the main ideas. So, it seemed to be too much stuff to study and it was difficult to understand the core concept. This causes a problem when I did the exam. I didn’t know what I should write down because I had too much information. When attending the class, the lecturer didn’t summarise the concepts or get to the main points.” (A28)

Although lecture is a normal delivery method which is often used as it is a convenient method to convey subject matters to a large number of students, the quality of this teaching method depends upon the lecturers' objectives. There is a wide range of teaching styles or methods ranging from a passive manner to an interactive manner (Monk, 2004). Therefore, the lecturers should consider and select appropriate activities to deliver auditing content. As discussed earlier in Chapter 1, auditing instructors tend to emphasise technical and numerical content rather than subjective and judgemental viewpoints within accounting (Brown and Lint, 1982; Fleming, 1996). This might cause problems when students confront uncertainty and ethical dilemmas and more interactive teaching methods may be more appropriate (Lucas, 2011).

Other reasons are that students dislike auditing because they lack proficiency in auditing, as noted by respondents A 37:

"I didn't enjoy studying auditing because I think I am not good at this subject. Also, I have poor performance in this subject" (A37)

In addition, students have problems with busy timetables during the day, as respondents A39 claimed that:

"I think the timetable is not suitable. I have studied so hard during the day before I started this module. I don't have time to digest all information. Also, I felt very exhausted when I studied auditing. So, I was always asleep in the classroom." (A39)

Apart from those who mentioned that auditing is not enjoyable, 22 of 77 respondents (29.88%) cannot decide whether they enjoy studying auditing or not.

Students gave the reason that it depends on their attention. If students intend to study, they will understand and enjoy studying. On the other hand, if they are not interested in the topics, they will not understand the content and feel that auditing is very boring. It can be implied here that students' interest and intention influence their motivation to study and enjoyment in studying. For example, respondent A15 stated that:

"I don't know whether I enjoy studying auditing or not. It depends on atmosphere and topics. If there is not frustrating atmosphere in the classroom and I can understand the lessons, I will enjoy studying this module. But, if I don't understand the content, I will always feel bored and stressed" (A15)

Only 10 of 77 respondents (or 12.98%) enjoy studying auditing. They think auditing is challenging and easy to understand if they pay enough attention. These students prefer analysing and investigating facts. For instance, respondents A7 noted:

"I enjoy studying auditing because it is a specific subject which encourages learners to analyse and calculate. An auditor has to investigate and interpret facts. Also, he or she has to communicate findings to clients. These are challenging." (A7)

Also, students prefer dealing with various case studies, as mentioned by respondents A32 that:

"I like auditing because it has various case studies to practice" (A32)

Even though most of the students did not enjoy studying auditing, they agreed that auditing is very important in accounting degree. According to Appendix 19, the students gave average score of 3.92 on a Likert scale where 1 meant not at all important and 5

meant very important. As already noted above, approximately 30% of the students did not know whether they enjoyed studying auditing or not because they did not understand the concepts of auditing. As a result, they did not know how to apply this subject in real practice. This might imply that the current teaching and learning methods in auditing do not sufficiently engage the attention of the students. This leads to negative views of the students on auditing even though they realise that auditing is important. However, this thesis assumes that the developed reflective case studies will assist auditing students to bridge the gap between theoretical content and practice. Also, students will change their negative attitude on studying auditing. The empirical results after the cases' implementation will be explained in the next chapter.

8.4.2 Students are not Confident on Entering to the Auditing Profession

Most of the students (33 of 77 respondents or 42.86%) were not sure whether they wanted to enter to the auditing profession (see Appendix 19). The main reason is that they wanted to have more experience in practice before making a decision⁵⁹, as respondent A20 mentioned:

“I think I should work more in auditing before I decide on entering to this profession. I might find the career which I really want to do.” (A20)

The second reason is that some students are not confident about their competency. For example, respondent A67 noted that:

⁵⁹ As mentioned in Section 2.3.2 of Chapter 2, in order to becoming a certified auditor, each CPA candidate must graduate bachelor degree from the university which is accredited by the FAP, must pass all compulsory modules (see Table 2.6), and must have at least three-year working experience in auditing firms.

“Being an auditor requires me to be very deliberate and thorough. In addition, I have to be sceptical and intelligent. I am not sure whether I have these abilities or not. So, I have no idea whether I can enter to the audit profession.” (A67)

Some students mentioned that they are hesitant about becoming auditors in the future because it is not easy to pass the CPA exam. For example, respondent A16 said:

“In the future, if I have an opportunity, I would be an auditor because I will gain high salary. However, as far as I know, it is so difficult to pass the CPA exam and the exam is so tough.” (A16)

At the moment, students still do not understand auditing concepts, as respondent A18 commented:

“I don’t know because I still don’t understand some topics. So, I hesitate on entering to the audit profession.” (A18)

One respondent, A8, gave as a reason that he intended to run his own business rather than working as an auditor. However, he studied auditing and accounting because these subjects are the basis of doing business, so he wanted to apply overall concepts to his business in the future, as he noted that:

“I can’t definitely decide that I want to be an auditor. Accounting is a basis of business, so I would rather use accounting concepts to do the business rather than entering to the audit profession.” (A8)

Nevertheless, 24 of 77 respondents (or 31.17%) did not intend entering the auditing profession. They perceived that they would not like this profession. For example, respondent A36 stated:

“Personally, I don’t like a risky career. Being an auditor is vulnerable, so I don’t want to work in this profession.” (A36)

In addition, students would be unhappy to work as an auditor because auditors have high responsibility, as respondent A17 comment:

“The auditing profession requires an auditor who is sceptical. Also, he must have high responsibility. But, I don’t think I have these characteristics.” (A17)

Some students believed that they did not have traits necessary to be auditors. For example, respondent A24 said:

“I realised that auditing is not the subject which I passion. My performance is poor and I am not happy to work as an auditor.” (A24)

On the other hand, 20 respondents (or 25.97%) intended to be auditors in the future. Most of them believed that being an auditor was challenging. Furthermore, this profession had the reward of high remuneration, as respondents A4 stated:

“Auditing is a challenging profession. It allows me to interact with people, changing workplace all the time. Also, this job rewards high salary. I like this kind of occupation.” (A4)

In addition, some students stated that being an auditor would allow them to have a thriving future and a good reputation, as respondent A10 stated:

“I want to be an auditor because this career is stable. It rewards high remuneration. Also, my family expects me to work in this profession.” (A10)

Also, for some, this fulfils the expectation of their family such as respondent A12 who noted that:

“I have many reasons which bring me to work in this profession. Auditing is an honourable profession. Auditing leads me to gain high salary. It’s also a stable job. In addition, I think the lecturer taught me very fun lessons. These make me have more intention.” (A12)

With regard to the answers for questions 1 and 2 of the questionnaire, it is notable that auditing students do not enjoy their studying, so they are not confident on entering to the audit profession. Moreover, some students decide not to work as auditors. Apart from the fact that all of the students do not have real-life experiences in auditing, the main problems are delivery method of the lecturer and ineffective learning strategies of the students. Kanter and Pitman (1987) argued that auditors’ proficiency results from formal auditing education and on-the-job training. Again, instructional problems in auditing seems to occur because audit lecturers normally focus on theoretical content which are not relevant to real practice. As a result, auditing students cannot deal with actual situations because they did not understand accounting system. In addition, they did not have experience in analysing accounting documents and lack the necessary professional skills. Thus, a challenging question is how to narrow this gap, build up the students’ confidence and encourage them to work in the auditing profession. To this end, it is assumed that the reflective case studies might be a teaching method which enables the students to have a more effective learning strategy. Ultimately, after the implementation of the cases, the students’ perspectives on entering to the audit profession might be changed.

8.4.3 Studying Ethics in Accounting Modules

Most of the students (73 of 77 respondents or 94.81%) stated that they have studied ethics in accounting modules. The teaching materials also indicated that ethics was embedded in the curriculum. However, in practice, ethics teaching in accounting modules tended to focus on rules and regulation of the ethical codes which encouraged students to learn by rote. This leads the students cannot recall the knowledge from their long-term memory. For example, there were four students who claimed that they have never learned ethics in accounting modules before (see Appendix 19) although they have already passed this module.

According to the students, ethical topics are embedded in Auditing (222305), Business and Professional Law (222104), Principles of Accounting (222101), Intermediate Accounting (222201), Cost Accounting (222301) and Taxation (213304) (see Table 8.1).

Table 8.1: Descriptive Statistics of the Accounting Modules Which Teach Ethics

Subjects	Frequency	%
Auditing (222305)	42	57.53
Business and Professional law (222104)	18	24.66
Principles of Accounting (222101)	2	2.74
Intermediate Accounting (222201)	1	1.37
Cost Accounting (222301)	3	4.11
Taxation (213304)	7	9.59

Therefore, most of students believed that ethics is emphasised in auditing teaching. Apart from the auditing module, ethics is also mentioned in business and professional law and taxation modules, respectively. However, it is noted that ethics is rarely taught in core accounting modules such as cost accounting, principles of accounting and intermediate

accounting. Additionally, the empirical results in Chapter 6 revealed that accounting students from Naresuan University typically have to study the stand-alone ethical course (as mentioned in Section 6.4.5 of Chapter 6) before attending the auditing course. However, the findings from the open-ended questionnaire appeared that students could not recognise which module they have studied ethics. This implies that ethics teaching is not actually emphasised in higher education although it is contained as an important subject in the accounting curriculum. Rather, most students seemed to focus on passing the exam to pursue the degree. This evidence shows an inappropriate way to cultivate the ethical awareness of auditing students. This issue will be discussed in Section 10.4.5 in Chapter 10.

8.4.4 Definitions of Ethics

The respondents provided several definitions of ethics. There are five themes derived from an analysis of the transcriptions as presented in Table 8.2.

Table 8.2: Definitions of Ethics

Themes	Frequency	%	Examples
1. Ethics is rules, regulations which everyone has to do	39	50.65%	<p><i>“Ethics is rules, duties or regulation which a person has to practice.” (A1)</i></p> <p><i>“Ethics is a framework of profession. Everyone must hold and conduct in order to accomplish the right duty in an appropriate way.” (A14)</i></p> <p><i>“Ethics is rules and regulation which accountants should comply with in order to be integrity.” (A48)</i></p>
2. Ethics are obligations that people should follow	20	25.98%	<p><i>“Ethics is the obligations which accountants and auditors should conduct when they are working. It involves virtue and morality in a profession in practice,” (A42)</i></p>

Themes	Frequency	%	Examples
			<i>"Ethics is the things which everyone should do and always conduct when he is working. (A52)</i> <i>"Ethics is the things which a professional should conduct. It is not rules or regulations, but everyone should practice." (A60)</i>
3. Ethics is individual's consciousness	8	10.40%	<i>"Ethics is good behaviours which come from individual's subconscious. One should know what right or wrong things are. He also should have moral sense." (A12)</i> <i>"Ethics is individual's consciousness when they are working" (A16)</i> <i>"Ethics is an inner consciousness of each person. It leads right or wrong behaviours" (A49)</i>
4. Ethics is a characteristic which every accountant should acquire	7	9.10%	<i>"Ethics means the things which accountants and other professionals should acquire and conduct when they are working" (A19)</i> <i>"Ethics is characteristics of accountants should acquire and use them when they are working such as integrity and transparency" (A77)</i>
5. Ethics is individual's responsibility	3	3.87%	<i>"Ethics is an individual's responsibility to do the right things" (A28)</i> <i>"Ethics is a person's responsibility for his career and duty. He has not misconduct in his profession" (A66)</i>
Total	77	100	-

Table 8.2 shows that the majority of respondents (approximately 51%) thought that ethics was about the rules and regulations which a person has to do. Whilst, about 25 percent of respondents believed that ethics are the obligations people should follow. The remaining respondents viewed that ethics is more about individual's consciousness, characteristics and responsibility. However, this can infer that ethics is essential for individual's behaviour. It is a boundary or frame of an individual's conduct.

The predominant view that ethics is about rules regulations and work obligations perhaps shows that current ethical education does not encourage students to see the moral and social responsibility that this should also encompass.

8.4.5 The Importance of Ethics in Accounting and Auditing

Most of students believed that ethics in auditing is slightly more important than ethics in accounting. According to Appendix 19, the students gave an average score of 4.99 (on a Likert scale of 1 to 5 – where 5 was most important) for the importance of ethics in auditing while they gave an average score of 4.91 for the importance of ethics in accounting. The main reason is that auditors' performance broadly affects financial information users, publics and economic systems. Respondent A30 noted that auditing is a profession relating to fraud and dishonesty, and said:

“Virtue, morality and ethics are very important in accounting and auditing. The reason is that these professionals have high risks to commit fraud and non-transparency. Also, these professions involve with monetary, so virtue, morality and ethics are extremely important.” (A30)

In addition, the audit profession requires a higher degree of reliability than other accounting professions, as respondent A21 cited:

“Auditing is an inspection of financial information of a company. This profession requires integrity and transparency without distortion. The outcome of auditing is applied to business planning and operation and influences overall economic systems. Therefore, virtue, ethics and morality are the most significant elements in the audit profession.” (A21)

Audit inevitably involves confidentiality and honesty. For example, respondent A67 stated that:

“Accountants and auditors are professionals who assure accuracy and completeness of the companies’ financial information. Therefore, these professions need to maintain the honesty in the professions. Both accountants and auditors have to comply with principles of virtue, morality and ethics in order to control their behaviours. Eventually, virtue, morality and ethics might help to develop countries and organisations in the long run.” (A67)

Therefore, the respondents’ answers imply auditing is very important within an accounting degree, and ethics is the most important thing in auditing learning. The reasons are that audit profession has broad impacts on public and society. Students felt that the audit profession had as broad impacts on public and society as the public rely on assurance of audit performance. In other words, not only competency of the auditors but also ethics and morality are required in order to maintain honesty in auditing profession. This conforms to literature evidence. Fleming (1996) stated that significant roles of auditors are not only a competent audit performance, but also an ethical audit engagement. In essence, ethics is required and emphasised in auditing rather than accounting because auditors have an important role as “gatekeepers” who protect quality of the companies’ financial information (Satava, Caldwell, & Richards, 2006). Public and investors rely on audited financial statements, so they need to be able to believe in accuracy and completeness of the financial information. Roles of auditors have been changed⁶⁰ since

⁶⁰ The roles of auditors have been expanded since the financial crisis. Auditors have to achieve the enhancement of trust in financial statements. The roles of auditors have been changed. At present, auditors do not only give opinions and consider the historic financial information, but also provide predictions for risk of companies. Their opinions toward financial statements tend to focus more on qualitative and non-financial data. Moreover, auditors have to emphasise on the compliance with financial standards (The Association of Chartered Certified Accountants (ACCA), 2011, p.9), and codes of ethics (Low, Davey, Hooper, 2008). Concepts of Corporate governance, ethical sustainability (Low et al, 2008), accountability, and transparency (Cooper, Everett, & Neu, 2005) are also taken to account in the audit engagement.

the economic scandals to be more emphasised on corporate governance and ethical sustainability (Low *et al.*, 2008). For these reasons, it has been suggested that ethical education is essential in accounting curricula, in particular, for a preparation of students who will entering to the audit profession.

8.4.6 The Delivery of Ethics in Accounting and Auditing

Question 6 of the open-ended questionnaire aims to understand how ethics is conveyed to accounting students. Table 8.3 illustrates average scores of ethics learning activities in accounting and auditing classrooms. It also highlights that the lecture is a major learning activity used to convey ethical content to the students. In particular, the lecture, Reflective case studies and presentations are the major methods used to convey ethics in auditing more than in accounting. Overall, the average scores of learning activities in auditing are higher than in accounting. Again, this finding supports that teaching ethics is more focused in auditing. Apart from those activities mentioned in Table 8.3, other activities which are used to deliver ethics in accounting and auditing are discussing with lecturers, asking and answering questions in the classrooms, doing reports, taking exams and revising for examinations.

Table 8.3: Mean Scores (Respectively) of Learning Activities with Regard to Ethics in Accounting and Auditing Classrooms

Ranks	Learning Activities			
	Ethics in Accounting	Means	Ethics in Auditing	Means
1	Lectures	3.40 (Helpful)	Lectures	3.94 (Very helpful)
2	Tutorials	3.25 (Helpful)	Reflective case studies	3.81 (Very helpful)
3	Reflective case studies	3.17 (Helpful)	Presentations	3.74 (Very helpful)
4	Presentations	3.04 (Helpful)	Tutorials	3.45 (Helpful)

The open-ended questionnaire findings demonstrated that in practice ethics instruction at Naresuan University was similar to other universities in Thailand where

accounting lecturers mainly employ lecture as a teaching method to deliver ethical content (as presented in Section 6.4.5 of Chapter 6). Fleming (1996) argued that providing a lecture alone is not adequate for ethics instruction. Ethical knowledge itself such as rules and codes does not influence an individual's ethical development or ethical maturity. On the other hand, ethical reasoning can be exercised by encouraging individuals to utilise "spirit of the ethics". As a result, individuals will be able to form moral judgements. According to Fleming (1996), fostering students' moral maturity does not emphasise the identification of "right" or "wrong" behaviour. Rather, students should apply logical thoughts and analytical scrutiny to ethical dilemmas. Academics believe that analysing ethical dilemmas is more effective than attending an ethics lecture (Hiltebeitel & Jones, 1992, cited in Fleming, 1996; Weber, 1990). Moreover, this method leads students to attain higher level of Kohlberg's moral reasoning. Therefore, in terms of ethical instruction, the process of thinking is more important than the outcome. The instructor should concentrate more on analytical thinking rather than a lecture.

8.4.7 Ethical Case Studies in Auditing Learning

Ethical case studies are utilised in auditing learning. Appendix 19 shows that 41 of 77 respondents (53.25%) agreed that they used case studies to learn ethics in the auditing classroom. However, the respondents gave average score of 2.92 from 5 (less beneficial) for the usefulness of ethical case studies in auditing learning. This implies that the current ethical case studies are not useful. The reason for this seems to be that the students do not have experiences in auditing, as respondent A13 said:

“In my point of view, ethical case studies can help me to understand ethics more than lecture. However, I think it partially helps me to learn because I don’t have any experience in real practice.” (A13)

In addition, students do not understand the main concepts of auditing. Therefore, they cannot portray and imagine how to solve ethical problems in auditing. For example, respondent A27 noted:

“I don’t understand core concepts of auditing, so I have no idea how to deal with ethical case studies.” (A27)

Moreover, it is noted that the case studies that students were using prior to my study just provide general information and do not give any details. So, these case studies might not encourage the students to analyse and solve the problems. For instance, respondent A37 claimed that:

“I don’t think the case studies I am using at the moment can help me to understand ethics because they are just simple examples and lack of details.” (A37)

Nevertheless, before the implementation of the reflective case studies of this study, there were some respondents who agreed that ethical case studies can help their auditing learning. Accordingly, the respondents believed that real-life case studies are a useful tool. Especially, real cases which allow the students to learn from auditors’ experiences can lead the students to know how to conduct the right things and guide them good practices in the future. In addition, real stories encourage the students to share their ideas and challenged them to find the answers. Finally, this teaching method can help students to have deep understanding in auditing. For example, student A30 commented:

“Ethical case studies can help me to understand content of auditing. When I attend the lecture, I totally didn’t understand. But, after applying theories to case studies, it helped me to understand content and meanings of ethics. Moreover, it might help me to conduct right things in the real situations.”
(A30)

The usefulness of real-life case studies can also be linked to the answer of question 10 - To what extent would a real-life case study/ examples encourage you (respondents) to reflect on your learning (respondents’ learning)?. According to Appendix 19, respondents agreed that real-life case studies encourage students to reflect on their learning. The average score was 4.25 from 5 (helpful) which can interpret that real-life case studies probably help learning auditing and encourage the students to reflect on their ethical sensitivity. As discussed in Chapter 3, prior research demonstrated that case studies are an effective tool for enhancing critical thinking skills and ethical awareness of students. This study also adopted this idea anticipating that the developed reflective case studies might assist Thai auditing students.

8.4.8 Methods Benefiting Learning of Ethics in Accounting and Auditing

Table 8.4 demonstrates the mean scores which the students gave for the methods benefit learning of ethics in accounting and auditing. The findings reported Assignments/ Projects was the most effective method in accounting with a mean of 3.66, in auditing Team work was the most beneficial with a mean of 4.06. Apart from those methods in Table 8.4, the respondents noted that other methods benefit ethics learning are reading examples from other cases and doing exercises.

Table 8.4: Average Scores (Respectively) of Methods Benefit Learning of Ethics in Accounting and Auditing

Ranks	Learning methods			
	Ethics in Accounting	Means	Ethics in Auditing	Means
1	Assignments/ Projects	3.66	Team work	4.06
2	Team work	3.64	Assignments/ Projects	4.00
3	Group Presentations	3.48	Group Presentations	3.91
4	Self-study	3.35	Self-study	3.65

According to the results, students viewed that teamwork and projects are beneficial to ethical learning in auditing. This corresponds with research by Guffey, McIntyre and McMillan (2009) who examined students' ethical perceptions on earnings management. The researchers carried out an experiment by providing reading assignments regarding earnings management and professionalism to accounting students. Students were assigned to work individually and responded a test. After that, they were assigned to work in groups finding a consensus opinion and doing the same test. The results showed that individual assignments alone did not change students' perspective on ethical issues regarding earnings management whereas group assignments affected individual judgement. This implies that teamwork and assignments/projects might be beneficial for ethical development of students because they have an opportunity to share ideas and opinions. Also, working on assignments or projects supports a deep learning approach. This thesis also applies project-based and group learning to the implementation of reflective case studies. It assumes that these teaching techniques would help deeper learning of the students. There will be a discussion on effectiveness of this tool in the next chapter.

8.4.9 Students' Reflections on What They Have Studied

Question 9 (see Appendix 7) proposes to investigate how the students think back (or reflect) on what they have studied after a lecture. The result, which is shown in

Appendix 19, shows that students rarely reflected on the lessons they have studied. According to the table, the respondents gave average score of 2.62 (where 1 equalled never and 5 equalled many times). Despite this lack of reflection, the majority of respondents agreed that reflection processes can help their learning as 69 of 77 respondents (89.61%) commented on how they think the reflective processes might help their study. For example, respondent A11 noted that reflection can help his learning revision:

“I think reflection processes can help me when I revise the lessons. Also, it can help me to link knowledge in my brain to the next lesson. Even in the exam, reflection will help me as well. If I usually reflect on what I have studied, it can always make me acquire knowledge.” (A11)

Respondents believed that reflection processes are beneficial to reflect on individual’s behaviours, as respondent A15 noted:

“Reflection processes make me recognise and revise the things I have studied in the class. Also, it reflects my thoughts. It helps me to realise what things I have done. It helps me considering good or bad behaviours.” (A15)

In addition, respondents supposed that reflection encourage solving problem skill and scepticism, as cited by respondent A40:

“Reflection helps me to have good memory. Also, I have more enthusiasm to find a solution. It stimulates questioning, revising and reflecting on my thoughts.” (A40)

It is noted that the mean score of students’ reflection on what they have studied is quite low. The result reveals that 8 of 77 respondents (10.39%) have never reflected on

what they have studied. These respondents also did not provide any suggestions on how the reflective process help their study or how a lack of reflection will affect their study. This is probably because the students have never been introduced to concepts of reflection before and they lack understanding of the concepts of reflection. However, this study assumes that after the students know concepts of reflection and reflective writing applying to audit working papers and group discussion, they will automatically reflect on their thoughts and their learning will be more effective.

8.4.10 Other Methods Which Would Help Learning of Ethics

The final question asked for students' comments on the methods that would help learning of ethics. There were 42 participants who had no comment on this question. However, 35 participants gave suggestions as follows:

Table 8.5: Other Methods Would Help Learning of Ethics

Methods	Descriptions	Frequency	%
1	Practicing internships	18	51.43%
2	Reading case studies and real-life stories	7	20.00%
3	Studying from external resources such as interview people, searching from the internet, watching media, cartoons and films	7	20.00%
4	Doing exercises	2	5.71%
5	Attending religious activities	1	2.86%
Total		35	100.00%

According to Table 8.5, most of the respondents suggested that practicing internships would help learning of ethics; whilst other methods are reading case studies and real-life scenarios, studying from external resources, doing exercises and attending religious activities. Significantly, it implies that auditing students believe in learning from direct experience and real-life situations. Again, this supports the assumption of this

experiment that case studies, which are developed from real-life situations, might pull up the effectiveness of the students' learning and enhance their ethical sensitivity.

8.5 During the Implementation of Reflective Case Studies

8.5.1 Students' Performance: Students' Attendance

After the lecturer provided the reflective case studies to students, they were engaged in individual audit working paper. Students were allowed to study outside the classroom. However, they had an option to attend the class. In the first week of the cases' implementation, the lecturer acted as a facilitator who provided information for the students. There were some students who came to the classroom and started asking questions. The researcher observed that students endeavoured to raise ethical issues but they did not clearly understand the regulations of the ethical code. For example, students who engaged with case study 1 could identify that the auditor in the case had an independence issue, but, the students were unclear about the definition of independence, and could not make decision on resolving the ethical problem. At this stage, the lecturer advised students to read through the code of ethics again and tried to identify which codes were relevant to the ethical dilemmas. The researcher observed that students attempted to reach final answers of what the right or wrong things were rather than practice logical thinking. In addition, they were still using a traditional learning strategy and were seeking to determine a pattern of the audit working paper. Some students also asked for an example of audit working paper. In the end, the lecturer explained that the principle feature of an audit working paper is similar to taking notes in a diary. The most important thing when students create an audit working paper was that they should reflect on the reason why they had to record that information rather than just taking notes. Therefore,

an individual audit working paper has no pattern. It took around two hours for this session and most of the time students were asking questions of the lecturer. This implied that students started practicing professional scepticism. Complex scenario of the case studies stimulated students to raise question and encouraged them to resolve the problem.

In the later meeting, students showed their individual audit working paper to the lecturer. Students described that they had read through relevant accounting standards and code of ethics in accounting profession. Then, they attempted to apply regulations to solve ethical issues. However, students seemed to lack analytical and interpretive skills. For example, some of them still could not identify which code of ethics should be applied. In addition, they could not visualise the final consequence of the ethical misconduct. To this end, the lecturer facilitated students by asking more questions encouraging the students to reflect on the cases rather than guiding an absolute solution. The researcher noticed that features of the students' question tended to be logical and scientific. They tried to think about reason of the auditor's behaviour in the case rather than trying to judge the auditor's behaviour. This implied that students were automatically practicing critical thinking and reflective thinking skills.

8.5.2 Individual Audit Working Paper

In the second week of the cases' implementation, students had completed their individual audit working paper and submitted their work to the lecturer. The researcher noticed that students had their own style of writing which implied that they had constructed these individually. According to individual work, the audit working papers of the students were likely to have the same structure composing of analysing and

identifying ethical issues of the case, identifying misconduct and threats which leads the auditor does not comply with the code of ethics, determining effects on auditors, clients, audit firms and public, and taking action to solve ethical problems. The researcher also noticed that students reflected logical thoughts in the audit working paper. For example, they could identify the purpose of the case investigation. In addition, students could demonstrate the reason why they selected a specific code of ethics to explain ethical dilemmas. Students were also able to identify appropriate solutions for the case. For instance, they identified audit procedures responding to the case and suggested alternative adjustments for the accounting misstatements. These findings illustrated that students had gradually changed the way of learning. They were able to link theoretical content to practice. The results corresponds with literature evidence, for example, Horsfield (1995) stated that case studies allow students to apply concepts they have learnt to real practice. Beattie *et al.* (2012) noted that providing case studies to accounting students contributes to development of analytical skills and the application of judgement. As a result, students could attain more understanding in pragmatic aspects of auditing.

8.5.3 Group Performance

Group Discussions

A group discussion activity was performed after students finished the individual task, the lecturer divided students into three groups allowing them to share the ideas of individual audit working paper. The researcher observed that each student explained ethical issues in the case, identified code of ethics related to the cases and described the alternative solutions. Simultaneously, some students in the group discussed on different ways of resolving ethical dilemmas. Finally, each group was able to find a consensus

opinion on the solutions of the cases. This learning environment did not only enhance communication skill, critical thinking skills and logical thoughts, but also cultivated a deeper learning of students. The empirical results conform to prior research of Burananpatana (2006) who noted that unstructured group discussion is an effective way of learning which leads students to communicate their own ideas and learning others' views. Also, the results of this study correspond with McIntyre and McMillan (2009) that group discussion is beneficial for ethical learning of auditing students because it promotes deeper learning of the students.

Group presentations

Group presentations were conducted over one and a half hours in the third week of the cases' implementation. All groups presented role playing based on the case studies they were assigned. Groups 1 and 3 produced video clips created by group members. The presentation of each group had the same structure. Students started with presenting video clips and role playing. After that, they discussed on ethical problems referring to accounting standards, code of ethics and audit procedures. Also, they discussed possible reasons for unethical behaviours, threats which make the auditor not comply with the ethical codes, and effects of unethical behaviour upon the auditor, clients, the audit firm and public. After the presentation, other students and the lecturer asked questions to group members. There was an interaction between the presenters and the audiences. The researcher noted that most students enjoyed this activity. They laughed and had pleasurable learning although some students seemed to be inattentive during the presentation. For example, Group 1 presented a case study of asset misstatement. In the role playing, the presenters displayed a meeting scenario discussing ethical dilemmas

within the group. Then, the presenters challenged the audiences by asking for their opinions. This illustrated cooperation and participation among the students. Most students were cheerful and alert.

Empirical results of group presentations showed that project-based learning can change students' way of learning to be more independent and creative. In addition, group presentation develops communication skills and interactive skills of the students. Also, it promotes problem solving skills when students of each group tried to answer questions from other students. This conforms to the literature review in Section 3.3.4 of Chapter 3. Moreover, the empirical evidence can form a conclusion that group presentation and project-based learning did not only change students' learning strategy, but also changed students' attitudes toward ethical learning in auditing.

8.6 Summary

This chapter has interpreted the results from the observation and open-ended questionnaire. It explores the learning environment and understand students' performance before and during the implementation of reflective case studies. I applied the concepts of ADDIE model of instructional design to explain learning environment and preparation of the lecturer and students before the cases' implementation. The results from observation showed that at the beginning of the cases' implementation, students seemed to have negative views on the instructional intervention. This is similar to the results of the open-ended questionnaire which noted that auditing is not an enjoyable subject for the students because it has too much content and too difficult for the students. In addition, students do not have real-life experience, dislike the teaching method, and personally do not like

auditing. Moreover, students think that they do not have proficiency appropriate to audit profession and have of studying during the day before start studying auditing.

The major problems are that lecture seems to be ineffective although it is mainly used to convey ethics in auditing classroom. Most of the students realise that ethics is very important in auditing and they can define what ethics means. However, they still cannot imagine how to apply the code of ethics in accounting profession to real practice, even though at the moment, ethical case studies are using as one of the teaching method for the students. However, they seem to be scant in details and do not encourage critical thinking of the students. Furthermore, after the class, it is found that most students rarely reflect on their studying. This is not beneficial for the application in real practice because the students' learning style is superficial. Finally, they will forget all the content they have studied in the short period of time and still cannot apply to their work.

During the cases' implementation, the results showed that students' learning strategies and attitudes toward ethics and subject matter tended to be changed. Students were assigned to act as a director which challenged them to be self-disciplined and independent. Moreover, the new case studies promoted deeper learning and generic skills such as critical thinking, communication and interaction skills and professional scepticism. Furthermore, the new instructional intervention provided more incentive to learn. For example, students had fun to study within group and felt more challenged to deal with ethical dilemmas. To this end, this study can form a conclusion of significant features of auditing students' ethical learning before and during the implementation of the reflective case studies as follows:

Table 8.6: Significant Features of Auditing Students' Ethical Learning Before and During the Cases' Implementation

Significant features	Before the Cases' Implementation	During the Cases' Implementation
1. Roles of participants	The lecturer = a controller/ a director Students = followers	The lecturer = a facilitator Students = directors
2. Learning Strategy	Delivery Methods ❖ Lecture: focused on memorisation rather than critical thinking ❖ Lecturer concentrated on theoretical content rather than real practice ❖ Teamwork and case studies are rarely used ❖ Learning approach ❖ Surface learning : students could not understand concept of auditing and could not visualize actual practice	Delivery Methods ❖ Case studied promoted critical thinking, group discussion and practice ❖ Teamwork promoted communication and interaction ❖ Learning approach ❖ Deeper learning: students practiced critical thinking, professional scepticism and attempted to bridge the gap between theory and practice
3. Students' attitudes toward learning	Negative attitudes ❖ Unwilling to participate ❖ Having anxiety to deal with new assignments Positive attitudes ❖ Being delight to work on project because students did not want to attend the class	Positive attitudes ❖ Individual learning promoted independence and creativity ❖ Group activities promoted pleasurable learning, interactive skills and communication skills
4. Students' attitudes toward auditing	Negative attitudes ❖ Auditing is not enjoyable ❖ Unwilling to entering the audit profession	Positive attitudes ❖ Auditing is challenging : students tried to find the way to solve auditing and ethical dilemmas by themselves
5. Students' perspectives on ethics in auditing	❖ Students were able to define the meaning of ethics ❖ Students realised that ethics is important in the auditing profession because auditors' ethical misconduct affects entire public.	❖ Students attempted to identify ethical issues and connect the issues with code of ethics ❖ Students attempted to solve ethical problems

Despite fact that all students do not have any experience in the workplace, students believe that learning from direct experience and real-life situations would help. Thus, this thesis assumes that an instrument such as case studies developed from real scenarios to

stimulate critical thinking of the students. This tool might pull up the effectiveness of the students' learning, especially, their ethical sensitivity. After the implementation of the case studies, the students' learning strategies might be changed and they will have positive view on studying auditing. The next chapter will discuss the empirical results after the implementation of the case studies and will evaluate the effectiveness of the cases' implementation.

CHAPTER NINE

ADDIE – EVALUATION OF IMPLEMENTATION

9.1 Introduction

This chapter demonstrates findings after implementation of the case studies. It explains Phase 5 of the research methods detailed in Section 5.3 of Chapter 5 (see Figure 5.5). To this end, results of the self-reflective writing and focus group interviews are gathered. All information is analysed to assess the quality of the developed instructional intervention (Branch, 2009).

The chapter is composed of five sections. The first section pertains to main concepts and principles of the final process of the ADDIE instructional design model. The second section illustrates three themes extracted from the empirical evidence: (1) Ethical awareness of students (2) Students' learning strategies (3) Feedback on effectiveness of the instructional intervention. The third section discusses the achievement of students' learning and effectiveness of designed instructional intervention for audit students in Thailand. The fourth section explains limitations of the actual application of the ADDIE – Evaluation stage. Finally, the fifth section summarises significant findings after the implementation of the case studies.

9.2 Process of the ADDIE – Evaluation

The evaluation process of the ADDIE instructional design model refers to the assessment of the designed instructional intervention before and after the implementation

(Branch, 2009, p. 150). According to Branch (2009), the ADDIE-evaluation stages concerns with qualitative and abstract value of the intervention rather than quantitative and comparative data (Branch, 2009, p. 160). This concept seems to be practicable in ethics instruction since individuals' ethics cannot be measured or gauged. However, qualitative information collected from the participants' reflections might pave the way for a conclusion about quality of the intervention. This notion is similar to Fleming (1996), who stated:

“The more appropriate test methods would be long-term and practical, where the students' growing ethical awareness could be gauged by observation of what the person actually does in conflict situations rather than what he/she has learned from a Code of Ethics / Conduct.” (Fleming, 1996, p. 214)

For this reason, this study adopted the main idea of the ADDIE-evaluation phase to this thesis. Qualitative data was collected by using open-ended questionnaire, observation, interview, reflective writing, and focus group. Before conducting the evaluations, all the instruments had been prepared and discussed with the thesis supervisors. After the data collection, all information was analysed and interpreted in line with the significant themes already noted to demonstrate and affirm the quality of the instructional intervention.

According to Branch (2009), the ADDIE-evaluation phase has three stages comprising: (1) specify evaluation criteria (2) choose evaluation tools and (3) conduct evaluation (Branch, 2009). The first stage is specifying evaluation criteria. Branch (2009) cited three levels of the evaluation criteria concerning with students' perception, learning and performance (Branch, 2009, p. 159), as shown in Table 9.1. At this stage, all

performance gap will be taken into account. The educators will consider whether they can close the gaps and achieve the goals. In other words, there will be a verification of the learning resources in this stage (Branch, 2009, p. 153).

Table 9.1: Summary of the ADDIE-Evaluation Stage

Level	Who	What	When	Where	Why	How
Level 1 Perception	Administered by the teacher	Measure students perception	Immediately at the conclusion of the course	Within the learning space (classroom)	Determine degree of satisfaction with the content Determine degree of satisfaction with the teacher	<ul style="list-style-type: none"> ➤ Survey ➤ Questionnaire ➤ Interview ➤ Likert Scales ➤ Open-ended questions
Level 2 Learning	Administered by the teacher or other designate	Measure knowledge and skill acquisition	Typically immediately upon completion of a course of study, however, could be any time during the period beginning with the completion of the course until a date prior to the application of the newly acquired knowledge and skills on the job	Learning space (classroom) Performance space (on the job)	Determine student potential to perform on the job Determine quality of the learning resources	<ul style="list-style-type: none"> ➤ Examinations ➤ Role plays ➤ Observations ➤ Practice ➤ Simulations
Level 3 Performance	Administered by a supervisor or neutral third party	Measure actual learning transfer	A period beginning immediately after the student returns to the job until a date that represents a complete task cycle that required the need to perform the newly acquired knowledge and skill	Performance space (on the job) within a functional work unit	Determine students' ability to perform task with genuine consequence Judge whether the performance gap has been closed	<ul style="list-style-type: none"> ➤ Authentic work tasks ➤ Performance checklists ➤ Supervisor assessments ➤ Peer reviews ➤ Observations

(Adopted from Branch, 2009, p. 159)

The Table above shows the three main levels of the ADDIE-Evaluation phase. The first level focuses on students' perspectives toward course content, learning resources, learning environment and teachers' facilitation style, the second level concerns the students' learning performances. At this level, the teachers or the designers will consider students' knowledge, skills and ethics before and after the implementation. The main purposes of this level are (1) to affirm that students will possibly have a good performance in their real-life working and (2) to determine quality of the learning resources. The third level is concerned with job performance. At this stage, a neutral third party such as employees will play a role on the evaluation. In order to do this, employees will justify whether students' performance is more effective after the implementation of the intervention. In addition, a justification by the third party will affirm that the performance gap is completely closed (Branch, 2009).

The second stage of the ADDIE-evaluation is selecting evaluation tools. At this stage, educators will evaluate value of the learning resources. Evaluation tools such as survey, questionnaires, interview, open-ended questions, observation and so on can be utilised to ensure that the instructional intervention is effective. The final stage of the ADDIE-evaluation phase is carrying out the evaluations. The outcome of this stage is an evaluation plan which is an ongoing process to evaluate quality of the learning resources. At this stage, educators have to organise a set of guideline to determine evaluation criteria, evaluation tools and evaluation strategies. In order to avoid bias, a neutral third party should conduct this stage (Branch, 2009).

This study evaluated the quality of students' learning by analysing participants' thoughts towards the developed reflective case studies, the learning environment and the teacher facilitation style throughout the intervention. To this end, evidence from observation, the reflective writing task and the focus group interviews were interpreted by the researcher. The researcher gathered information from observation, the reflective writing task and the focus group interviews. With regard to the application of the ADDIE-evaluation of this study, Level 1 of the evaluation stage (as shown in Table 9.1) was applied to describe students' perspectives toward the intervention and to measure students' progress in knowledge, skills and ethics after the implementation of the learning resources. The empirical findings will be discussed in the next sections.

9.3 Empirical Results

There were three main themes of the empirical results comprising (1) ethical awareness of students, (2) learning strategies and (3) effectiveness of the instructional intervention.

9.3.1 Theme 1: Ethical Awareness of Students

Students appeared to change their senses of ethics after the cases' implementation. The empirical results demonstrated that auditing students could transform their ethical recognition, ethical concern and ethical reaction. In terms of ethical recognition, students obtained more understanding about auditors' role and responsibility after the implementation of the case studies. They recognised that auditors play a vital role in advising internal control and management systems of a company. The reflective cases

also encouraged students to realise a role of an auditor who deals with ethical issues in the auditing profession, as participant R8⁶¹ stated:

“As far as I’ve learned from the cases, I can determine ethical issues in the audit profession. In addition, I can criticise the issues and decide whether they comply with the code of ethics or not. My assignment was associated with an asset misappropriation which encouraged me to realise to role of auditors. I’ve just known that auditors influence a company’s administration and play a vital role in impelling the economic system of the country” (R8)

Additionally, students could recall the issues and code of ethics when they encounter ethical dilemmas. For example, participant R11 stated:

“Unethical behaviours of auditors in the case study absolutely helped me. I can remember about the scenarios and malpractices in the case. The reason is that I have to study a lot before determining ethical issues.” (R11)

Also, students could precisely identify ethical issues. For instance, they could determine right or wrong behaviours linking the issues to the code of ethics, as participants R12 said:

“My assignment involved with ethical issues in auditing. After the implementation, I could determine the issues in the case and link to the ethical codes. Obviously, I could apply theories and ethical codes to the case.” (R12)

⁶¹ In this chapter, participants “R” refer to auditing students who contributed information to the self-reflective writing task whereas participants “P” refer to students who provided information in the focus group interview.

In terms of ethical concern, the case studies could encourage students to scrutinise the impacts of unethical behaviours of the auditors on the audit profession, clients and public. Students were also concerned about penalties, punishment and threats. As a result, students became more considerate about audit engagement and audit quality as they the reflections from R14 demonstrate:

“Working with the case studies lead me to be more logical. I realised that auditors must consider on rationales and logics of the engagement since they sign in the engagement letter. They must deliberately inspect and gather audit evidence, and so forth. Importantly, auditors have to think about other effects which influence their audit performance. Unless auditors perform audit with carelessness, the impacts of misconduct might be widespread. For example, if auditors who sign in an unqualified auditor’s report but in fact the financial statements of the company significantly misstate, the impacts do not only affect the auditors themselves (e.g. cancelation of professional certificates), but also affect clients, companies, public and entire society...” (R14)

Moreover, reflective writing in the audit working paper could not only encourage students to reflect on ethical misconduct, but could also enhance logical and systematic thinking with regard to ethics in the accounting profession. This strategy is possibly useful when the students solve ethical problems in the real-life situation, as noted by participant R5:

“The case study gave me a chance to reflect on virtue, morality and professional ethics through the audit working paper. The case assumed that I was an auditor who has to comply with professional ethics such as integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. ... The reflective writing provided an opportunity to express logical and systematic thinking about ethics and morality in the accounting profession. I can solve ethical issues by using this technique in the future.” (R5)

In terms of ethical reaction, the developed case studies tended to influence students' ethical behaviour. After the cases' implementation, students could unconsciously recall ethical issues which they have learnt. They were likely to apply theory to practice when they encounter real-life situations which are similar to the case studies. As a result, students' ethical thoughts were framed by the code of ethics in accounting and auditing professions. In addition, a sense of ethics has been cultivated since using the case studies. The examples below imply that the reflective case studies did not only provoke short-term sense of ethics of the students, but also influence their long-term ethical sensitivity and ethical behaviour, as participant P12 noted:

“The developed cases derived from real-life situations which enlighten on the actual audit engagement. Ethical dilemmas in the cases were a good guidance for us. We might encounter the similar situations in the future. At least, the scenarios will encourage us to rethink about ethics and we know how to deal with these ethical problems now.” (P12)

Participant P13 also noted that the case scenarios could guide him to avoid ethical misconducts and influence him to practice in an ethical manner, he mentioned:

“The cases encouraged me to learn from history. I realised the mistakes from the cases. I know the underpinning reasons and solutions of the problems. Thus, I would avoid these malpractices in the future. The developed cases teach me to choose the best way to solve problems. A framework from the code of ethics is a good guideline for being a good auditor in the future. ...In the future, I won't be an unfaithful person. The cases provoked me to think what is going to be if I conduct frauds. In addition, I have more concerned about effects on other people. Fraudulent causes sufferings, so I must avoid this bad behaviour...” (P13)

The empirical results shown that before the cases' implementation, students could give a definition of ethics and concerned an importance of ethics in auditing (as discussed

in Sections 8.4.4 and 8.4.5 of Chapter 8). However, as mentioned in Section 6.4.5 of Chapter 6, ethics instruction in the auditing module in Thailand was not emphasised as it should be. The reasons were that the current traditional teaching and learning seemed to be ineffective and did not facilitate students to cultivate moral and ethical sensitivities. Moreover, passive, superficial and rote learning caused negative attitudes of students towards the subject matter. For example, participant R14 commented:

“Before using case studies, I just read through textbooks and tried to remember the content. I have never searched for other learning resources or acquired knowledge outside the classroom. Personally, I thought Auditing is a boring subject. It’s difficult to understand. I have no idea how utilise the codes of ethics in the real situations. So, I have never thought about working as an auditor. ...” (R14)

The subsequent results after the cases’ implementation revealed that Thai auditing students could transform their attitudes and learning strategies. The empirical results underlined that students could enhance ethical awareness. The cases allowed students to manage their own learning. This led the students to take action and acquire their own knowledge through new experience. For instance, participant R14 mentioned about her changes:

“After the cases’ implementation, I felt as if I encountered the real-life ethical dilemmas in auditing. The cases encouraged me to critically solve the problems. The key idea was not just remember the ethical codes, but I had to apply them to deal with ethical issues. Moreover, the cases encouraged me to think about effects on my audit professions and other stakeholders. This technique brought deeper understanding how I apply theory to practice. ... Furthermore, the reflective cases enhanced my logical and systematic thinking. My ideas were framed by the ethical codes. Before I took action on ethical judgement, I had to rethink about practicable and reasonable aspects. Scrutinising on ethical malpractices and punishments led me to avoid carelessness. This is my new experience.

I believe that my learning strategies regarding ethics in the auditing profession has been transformed.” (R14)

Reflective writing and teamwork tasks encouraged students to scrutinise and practice ethical consciousness. Eventually, students were able to enhance ethical judgement and ethical decision making which are important in auditing. For example, participant P7 stated:

“Reflective writing in the audit working paper encouraged me to practice critical thinking. I had to gather all information and searched for ethical solutions by myself. On the other hand, working in group provided an opportunity to share the ideas. I found that everyone had several moral reasons. I could learn from my colleagues’ perspectives. Finally, the group members could find a consensus on ethical judgement and decision making. These techniques were quite useful in the real practice.” (P7)

Even though there is no guarantee that ethics teaching can change individuals’ behaviour and there is no effective measurement for ethics of human beings, at least using case studies could be a learning tool to stimulate a sense of ethics of students. Before making an ethical judgement, students could rethink about impacts of the ethical misconducts. I assumed that if students apply this strategy to their working lives, it will contribute to reduce ethical dilemmas in the future. Particularly, it is interesting to expand the usages of the reflective case studies in the business environment in Thailand where political, transparency and corruption issues still seriously emerge, as discussed before in Chapter 2.

9.3.2 Theme 2: Learning Strategies

Learning strategies of the student participants have changed after the intervention. The case studies encouraged students to gain deeper understanding in ethical issues and

codes of ethics in accounting profession (see Table 9.2). As a result, students acquired their own knowledge and constructed their own concepts without repetition. In addition, transferable skills of students such as problem solving, critical thinking, decision making, communication and interaction skills, including professional scepticism of students were enhanced. Moreover, dealing with ethical situations by themselves, students were automatically cultivated life-long learning. The table below presents examples of students' feedback on changes in their learning after the cases' implementation.

Table 9.2: Examples of Comments on Changes in Students' Learning Strategies

Learning Strategies	Comments
Deep Learning	<i>"My learning strategies have changed after the cases' implementation. In the past, I my study was superficial. I have no idea about rules and regulations of the accounting standards and the codes of ethics. After using the cases, I have deeper understanding about what an accountant actually do. I gained more understanding about the professional standards." (R6)</i>
Problem Solving Skill	<i>"The reflective cases practised me to deliberately deal with problems. In addition, they stimulated logical, rational and systematic thinking. This is not only useful in my study, but also my career in the future. I know how to solve ethical problems from the cases" (R13)</i>
Critical Thinking Skill	<i>"The reflective case studies enhanced critical and analytical thinking. Ethical dilemmas from the cases drew on various behaviours of auditors. In addition, all of three cases briefly demonstrated actual audit procedures which is useful in real-world working. Malpractices of the auditors provoked me to reflect on the reasons, effects and punishments on the bad behaviours. This method is quite beneficial to practice logical, critical and analytical thinking." (R15)</i>
Decision Making Skill	<i>"Case studies enhanced my decision making skill. For example, it demonstrated how an auditor made a decision when (s)he found financial misstatements." (R5)</i>
Professional Scepticism	<i>"After the cases' implementation, I have transformed my learning. The cases provoked me to raise questions and critically think about the dilemmas...." (R4)</i>
Communication and Interaction Skills	<i>"I become more confident after the cases' implementation. The cases encouraged me to share my ideas with colleagues. Expressing my opinions also strengthen the relationship among group members. Brain storming led students develop cooperative and interactive skills. I gained new ideas from my friends' thoughts which are useful to construct my knowledge." (R9)</i>
Life-long learning	<i>"My learning strategies have changed a lot. Previously, the lecturer usually gave me learning materials such as handouts. I just read through them and never search further information. The cases encouraged me to find more information from many sources. I had to study relevant accounting standards by myself. Then, I asked the lecturer and rechecked my understanding with colleagues. I had an</i>

Learning Strategies	Comments
	<i>opportunity to exchange knowledge and acquire new knowledge.” (P10)</i>

Students changed their attitude towards the subject matter after the cases’ implementation. They viewed that auditing is an interesting and enjoyable and had less bias in the auditing profession. Moreover, students became more creative and appeared to have greater self-esteem. For example, participant P3 acknowledged the importance of “owning” their own work.

“... When I was assigned to do the individual audit working paper, I did it from my understanding. I felt free to learn by myself and I had enjoyment when I created my own work....” (P3)

And R5 noted. ...

“...The cases lead me to be more self-discipline. Working on the cases, I didn’t need to attend the classroom, but, I had to hand in the assignments in time. Thus, I must effectively manage my own study. This improves my learning strategies. I gained many ideas from the cases. I think the things I have learnt from them engendered new experience and knowledge. The cases were also very useful for my career in the future.” (R5)

Similarly, P5 stated. ...

“The lecturer didn’t allow students to copy others’ work. I must confess that one of my friends asked me to copy my audit working paper, but I refused. The ethical cases lead me to work by myself. I know I have changed because I usually copied my friends’ work in the past. Now, I became more self-esteem. I am proud of myself.” (P5)

Importantly, reflective practice encouraged students to generate their own concepts. Students can remember the lessons in their long-term memory. This will be useful in the future, as participant P1 noted:

“The reflective writing and audit working paper made me envision the overview of the auditing procedures. I could manage my study. Systematic thinking led me to analyse and synthesis the information. Integrated learning was easier to apply because I could acquire long-term memory rather than reading the textbooks.” (P1)

The empirical results above confirm that case studies can be an effective tool to enhance not only the ethical aspect of auditing students, but also holistic attributes of professionalism. The evidence also supported the prior literature as discussed in Section 3.5 of Chapter 3. In addition, it demonstrated that ethical case studies can be effectively used to enhance ethical sensitivity of students in social sciences although previous research mainly designed and developed the case studies for students in health sciences, as mentioned in Chapter 7. Significantly, the results demonstrate that the reflective case studies, which were constructed by a combination of learning theories such as Transformative learning theory, Experiential learning theory, Reflective learning theory and Project-based learning theory, contributed to transform learning strategies among auditing students. The table below summarises dominant features of the four learning theories and presents some empirical evidence supporting their contributions.

Table 9.3: Examples of Empirical Evidence which Support that a Combination of the Four Learning Theories Contributes to Transform Auditing Students' Learning Strategies

Learning Theories	Dominant Features ⁶²	Empirical Results after the Cases' Implementation
Academic Capability		
Transformative Learning (TLT)	➤ Enhance autonomous learning	<i>"The case studies encouraged me to manage my own learning strategies. I felt independent to study. ... I like this learning method because I could be a self-directed student. I had an opportunity to search for information from several resources. I could clarify my understanding by myself. On the other hand, I could share my ideas to colleagues which made me gain deeper understanding than learning through PowerPoint presentations in the lecture theatre." (P1)</i>
Experiential Learning (ELT)	➤ Construct a new knowledge by taking action through experiential activities	<i>"My learning strategies have changed a little bit. The cases enhanced my learning process. I obtained a new knowledge and gained deeper understanding than in the past. The cases led me to clarify ethical issues and assignments before I started doing my work. Moreover, I had an opportunity to identify ethical issues, analyse the underpinning rationales, raise questions and search for the solutions. I had to study from many learning resources and confirmed with my friends. Now, I gain wider prospects apart from solely learning in the classroom." (R2)</i>
Reflective Learning (RLT)	➤ Construct individual way of knowing	<i>"The reflective writing task was similar to a summary of the things I have learnt which is quite useful. Usually, I easily forget the lessons because I never revise them. Reflective practice encouraged me to recall what I have done and learnt. In addition, it helped me to make a conclusion of a new concept...." (P2)</i>
Project-based Learning (PLT)	➤ Enhance deeper knowledge acquisition	<i>"Before the cases' implementation, learning in the classroom appeared to focus on lecture. I felt bored with it. This learning strategy caused surface</i>

⁶² I summarised dominant features of the four learning theories from Section 4.5 of Chapter 4.

Learning Theories	Dominant Features ⁶²	Empirical Results after the Cases' Implementation
	and integrated understanding of content	<i>understanding about the content. However, after the cases' implementation, I have acquired a new learning strategy. Learning through reflective practice and project-based learning led me to manage a role-play activity. I gained enjoyment. I felt that auditing is not a boring subject now. Once I finished the presentation, all of the students could ask whatever they had questions. I think this learning method was quite good. I gained more insights into the subject matter. Moreover, I can remember the lesson more than in the past."</i> (R3)
Professional Skills		
All four theories	➤ Enhance critical thinking skill which is important to professionalism	<i>"... Obviously, my learning strategies have changed. I expanded my thoughts and tried to answer the questions from many resources. Also, the cases encouraged me to critically think and reflect on each alternative resolution. I had to scrutinise and choose the best way for the solution. ..." (R4)</i>
	➤ Enhance professional judgement and professional scepticism	<i>"The cases enhanced my professional judgement. In order to tackle ethical issues, I had to deliberately think before taking action. On the other hand, I could improve my professional scepticism. The cases encouraged me to raise questions with regard to ethics in the auditing profession." (R7)</i>
Experiential Learning (ELT) + Reflective Learning (RLT) + Project-based Learning (PLT)	➤ Encourage encountering complex problems and enhance problem-solving skill	<i>"The cases engendered systematic thinking which I can apply it in the future. The complex problems in the cases did not only encourage me to raise questions, but also provoked me to take action on ethical problems. Moreover, it taught me to handle the problems by myself." (R4)</i>
Transformative Learning (TLT) + Project-based Learning (PLT)	➤ Enhance analytical skill	<i>"The cases enhanced my analytical skill. I could gain systematic and logical thinking. I could raise questions and searched the way to solve problems by myself" (R1)</i>
Project-based Learning (PLT)	➤ Enhance collaboration and communication skills	<i>"The case studies provided an opportunity to exchange knowledge among the group members. Students could share their ideas and helped each other to create a completed version of group work. Two ways communication also facilitated learning atmosphere. For example, I felt free to ask the lecturer whenever I</i>

Learning Theories	Dominant Features ⁶²	Empirical Results after the Cases' Implementation
		<i>had questions. I like this learning strategy.” (R5)</i>
Professional Ethics		
Transformative Learning (TLT) + Reflective Learning (RLT)	➤ Enhance critical ethics and influence changes in ethical behaviour	<i>“The case advocated me to concern about virtue, morality and ethics in the accounting profession. I didn’t just only remember the rules or regulation involving the codes of ethics, but I also could apply them after graduation. In addition, the case reminded me of malpractice of auditors which are not comply with the ethical codes. Eventually, I can apply academic content to real-world situations which are similar to the cases.” (R15)</i>

Moreover, the students can apply the new learning strategies to other subjects and their learning in the future, as P2 stated:

“...I can apply the reflective writing technique to other subjects as well. Especially, when I prepare for the exam. I think writing is much better than reading because I had an opportunity to take action and express my thoughts. Taking notes also beneficial. It helped a lot for the exam revision. ...” (P2)

9.3.3 Theme 3: Feedback on Effectiveness of the Instructional Intervention

Positive Feedback

Most of participants had positive feedback on the learning materials. They cited that ethical case scenarios motivated imagination of students. In addition, the case studies stimulated a sense of professional scepticism. For instance, participant P4 cited:

“Reading the cases was similar to reading a novel. Personally, I like reading a novel. I felt more comfortable to study. I was enjoy working on the assignment by myself. I don’t like when the lecturer forced me to read textbooks. If she ordered me to do, I would resist her command....” (P4)

Similarly, participant P7 noted:

“Honestly, at the beginning I didn’t get what are the case studies. I briefly read them, but I had no idea how to start. Then, I asked the lecturer to guide me. This learning method stimulated me to search and gain deeper understanding about auditing. Later, I could find my own way to discover the answers. I could automatically raise questions and find the answers by myself. I think the cases enhanced my professional scepticism....” (P7)

Students mostly provided good feedback on the instructional tasks. Working on the audit working paper, students could enhance professional skills and communication skills. For example participant 15 stated:

“I was happy when I had a chance to practice. At first, I expected that this course would focus on theory rather than practice. After doing audit working paper, I was glad to gain deeper understanding on the audit procedures. In fact, I was a little bit confused at the beginning. Consequently, I had a chance to discuss with the lecturer and group members. I could deal with the complexity. In particular, the cases were developed from the real events in Thailand which are very useful. Now, I know how to solve problems in real-life situations.” (P15)

In addition, students provided positive comments on learning activities. They noted that the case studies connected them to wider community such as social media and other learning resources. Integrated learning has no limitation. Students were able to study independently, as students P2 cited:

“...The cases encouraged me to integrate knowledge and apply to the assignment. Now, I don’t need to memorise the ethical codes. If I have some questions about auditing and ethics, I can search the information from my audit working paper, the internet and other sources. This opens up my academic world and knowledge. It is different from the previous learning strategy which I had to read through the lecture notes without understanding. I prefer this new learning strategy.” (P2)

With regard to learning atmosphere after the cases' implementation, students felt more confident and independent. They preferred sharing their ideas with other colleagues.

For example, participant P3 noted:

"To me, I like the learning atmosphere of using case studies because I have a chance to discuss with friends. Generally, when I attended the class, I chat with friends too, but I was too shy to ask the teacher. Now, I feel free to share my ideas with the lecturer and friends. I think this learning method is fun. It reduces stress. I love to talk and express my ideas. Using cases is much better than the traditional learning method." (P3)

Participant P4 also added:

"I felt free and independent to study. I could share whatever I think about the cases. It's so much better than asking the lecturer in the classroom because I felt as if everybody kept an eye on me. This made me unconfident and awkward. In contrast, sharing my ideas on the cases, I felt more confident to talk with friends and the teacher." (P4)

In addition, students commented on the role of the lecturer. Being a facilitator who supported the learning environment meant that students felt more comfortable to ask questions. This contrasts to the traditional strategy where students did not feel comfortable asking a question when they have problems. For instance, participant P2 commented:

"I like when I can ask the lecturer anytime I have problems. This learning method also helps the teacher to get better understanding about her students. Although I have a chance to ask in the lecture theatre, I felt uncomfortable. I think discussion engenders more knowledge than attending the lecture. I noticed that some students were too shy to ask though they had so many interesting questions. Using the cases, the lecturer could walk around and directly communicate to students. I had a chance to share and exchange my thoughts. Also, my friends felt more comfortable to speak to the lecturer. I was so happy with this learning method." (P2)

In terms of the learning tasks such as individual work and teamwork, students commented that the personal task allowed them to be more creative whereas the teamwork task built a good relationship among students. For example, participant P7 stated:

“The personal task trained me to think and integrate the entire knowledge. Moreover, it encouraged me to search and study by myself. On the other hand, the teamwork task encouraged me to share the ideas. Although each person has different views, I have learnt from different perspectives which sometimes I haven’t realised that it’s an important issue.” (P7)

This is similar to P9 who noted:

“Teamwork built a good relationship among students. I had a chance to work with my friends whom I have never talked to before.” (P9)

Moreover, P15 added that teamwork contributed brainstorming and more accurate work. She commented:

“Working in group is valuable. Helping each other to gather data and discuss the ideas made the work clearer and more accurate...” (P15)

Students had positive feedback on the learning assessment. They understood the assessment criteria and commented that it was acceptable and reasonable, as participant P10 cited:

“I think the cases simulated a real situation in the audit firm where working as a team is more focused. Thus, the lecturer gave higher scores for the teamwork task because she wanted us to practice. This is acceptable and reasonable. It is similar to the real-life situation.” (P10)

Similarly, P2 noted that the teacher had fair learning assessment criteria. Working on personal task seemed to be easier than working in group. Thus, it is reasonable provide more score on the teamwork activity. She said:

“For the evaluation, I think it’s fair enough. The lecturer weighted scores for the teamwork task more than the individual tasks because the individual work is easier. Working in a group, students have to share ideas and make a consensus which is much more difficult to synthesise and make a conclusion. Moreover, managing project work such as group presentation is tough. I think it’s ok to provide 15% for the group work and 10% for the personal work.” (P2)

Finally, students had positive feedback on the benefits of the instructional intervention. Most participants highlighted that the reflective case studies are useful for their future career. For example, participant P7 mentioned that the developed cases were applicable to the real-life practice. He stated:

“The reflective case studies were beneficial to me if I want to be an auditor. However, they are valuable for my learning in the future as well because they helped me to gain deeper understanding on the content. I had a chance to raise questions, searched for the answers by myself. I became more self-directed. Moreover, this learning strategy will be beneficial to my working life. Working in the accounting professions, I have to regularly update my knowledge. Thus, life-long learning was implicitly cultivated. I can apply it in my real-world life.” (P7)

Similarly, P3 noted that the codes of ethics were practicable. After the cases’ implementation, she will apply the lesson she has learnt to her real-life working. She stated:

“The ethical codes can be used as a standard or a framework for each professional discipline. In the future, I will apply the ideas I have learnt from the cases to the real situations. I know how to deal with the dilemmas

and I gain more understanding on the codes of ethics in accounting profession. I can automatically apply them to my work.” (P3)

P5 noted that she was ready to deal with ethical problems in the real situations.

She explained:

“I think the things I have learnt from the cases can be applicable in real-life situations. For example, professional scepticism, analytical skill, problem-solving skill and ethical awareness which I have practised from the case reminded me of being a good auditor who comply with the ethical codes. I have to devote myself to the audit engagement. I can effectively handle with the problems in the future. Significantly, the cases encouraged me to be deliberate. If I encounter the real-life situations, I would be ready to tackle the problems.” (R5)

P14 also commented that the reflective case studies can be an effective tool to deliver real-life experience.

“Using the cases as an instructional tool, I have learnt to solve complex situations. The decision making process was systematic, reasonable and accurate. The ethical awareness protects me from conduct ethical malpractice. The results from the misconduct do not only affect my personal working life, but also the professional body. The cases trained me to arrange my plan which is similar to the actual work. I need to finish my work on time with good quality. The cases was an effective tool to convey real experience. In the future, I can apply the ethical codes to my work.” (P14)

Weakness of the Instructional Intervention

Although most students provided positive feedback on the instructional intervention, there were some comments on the weakness of the intervention. Firstly, students commented on their workload and time management, as participant R11 said:

“I need more time to complete the assignments. I was under pressure because of a lot of workload. Working on case studies made me felt exhausted.” (R11)

P4 also mentioned the time limitation and quality of work. She commented:

“To me, I think I didn’t have enough time to study. Actually, the lecturer should give us more time to accommodate. In addition, other subjects gave us many assignments to do. Thus, I concerned about quality of my work. ” (P4)

Secondly, some students commented that there were too many students in each group. For instance, participant P9 noted:

“I think there were too many students in each group. There should be more case studies and the size of each group should be smaller. A smaller group facilitates learning atmosphere than a large group.” (P9)

Some students demanded more than three case studies, as P8 cited:

“There should be more case studies in auditing because students should learn from various circumstances.” (P8)

In addition, some students required more complex cases. For example, P13 noted:

“To me, I think using case studies as an instructional tool for auditing learning is suitable because the cases were developed from the real events. However, the ideal case studies should be more complex and complicated. Dealing with real and difficult circumstances, students will practice more and gain more systematic and critical thinking.” (P13)

Apart from time limitation and a large number of group members, students claimed that the cases did not have absolute solutions. For instance, participant P15 commented:

“Our group found that we couldn’t answer some questions. For example, we couldn’t identify some ethical issues because we didn’t think they were important. This results in the alternative solutions. We couldn’t determine precise solutions because there is no absolute solution for ethical dilemmas. In addition, we lacked of experience in auditing, so the way we answer the questions seemed to be straightforward because we searched the solutions from textbooks.” (P15)

Some students did not believe they had sufficient background knowledge to be able to identify auditing threats, as participant P11 cited:

“I wasn’t clear about the threats which make the auditors conduct malpractice. I think our group had poor background on this topic. So, I think if our group had more time to study what is the threats, the work would be better.” (P11)

Summary

The results demonstrated that the majority of participants had positive feedback towards the instructional intervention. This implies that students agreed on the effectiveness of the learning resources. Furthermore, examples of the students’ feedback also exhibited that the new learning strategies changed their attitudes towards the auditing subject to be more positive. This might result in an increasing motivation and intention of the students to entering the audit profession in the future.

9.4 Evaluation of Effectiveness of the Instructional Intervention

Apart from the above empirical evidence which provided students' comments on the effectiveness of the instructional intervention, the ADDIE model also suggests that there should be a consideration on whether the performance gap was completely closed. To this end, I attempt to link the performance gap shown in Table 6.7 of chapter 6 to the empirical results. The table below exhibits the findings.

Table 9.4: A Consideration on Whether the Performance Gap Was Closed After the Cases' Implementation

Performance Gaps	Was Performance Gap Closed After the Cases' Implementation?	Examples
1. Curriculum Structure		
➤ Contextual course	YES: Integrated course	<i>"...Integrated learning was easier to apply because I could acquire long-term memory rather than reading the textbooks." (P1)</i>
2. Attitudes towards auditing		
➤ Auditing is a boring subject	YES: Learning auditing is more enjoyable and interesting	<i>"To me, I like the learning atmosphere of using case studies because I have a chance to discuss with friends. Generally, when I attended the class, I chat with friends too, but I was too shy to ask the teacher. Now, I feel free to share my ideas with the lecturer and friends. I think this learning method is fun. It reduces stress. I love to talk and express my ideas. Using cases is much better than the traditional learning method." (P3)</i>
➤ Auditing subject causes tension and anxiety of students	YES: Students became more self-esteem and independent to their study. They felt more comfortable to ask the teacher. So, this learning strategy helps students to reduce tension and anxiety.	<i>"To me, I like the learning atmosphere of using case studies because I have a chance to discuss with friends. Generally, when I attended the class, I chat with friends too, but I was too shy to ask the teacher. Now, I feel free to share my ideas with the lecturer and friends. I think this learning method is fun. It reduces stress. I love to talk and express my ideas. Using cases is much better than the traditional learning method." (P3)</i>
➤ Students have less motivation on studying auditing	YES: The Reflective case studies motivated students' imaginations. In addition, the project-based approach	<i>"Before the cases' implementation, learning in the classroom appeared to focus on lecture. I felt bored with it. This learning strategy caused surface</i>

Performance Gaps	Was Performance Gap Closed After the Cases' Implementation?	Examples
	motivated students to be self-directed learners.	<i>understanding about the content. However, after the cases' implementation, I have acquired a new learning strategy. Learning through reflective practice and project-based learning led me to manage a role-play activity. I gained enjoyment. I felt that auditing is not a boring subject now. Once I finished the presentation, all of the students could ask whatever they had questions. I think this learning method was quite good. I gained more insights into the subject matter. Moreover, I can remember the lesson more than in the past."</i> (R3)
➤ Students have less confidence when they study auditing	YES: Students felt more confident and independent to work	<i>"I become more confident after the cases' implementation. The cases encouraged me to share my ideas with colleagues. Expressing my opinions also strengthen the relationship among group members. Brain storming led students develop cooperative and interactive skills. I gained new ideas from my friends' thoughts which are useful to construct my knowledge."</i> (R9)
3. Instructional Resources		
➤ Lack of resources such as textbooks and case studies	YES: The reflective case studies was developed and used as a new instructional resource for auditing students in Thailand	<i>"Using the cases as an instructional tool, I have learnt to solve complex situations. The decision making process was systematic, reasonable and accurate. The ethical awareness protects me from conduct ethical malpractice. The results from the misconduct do not only affect my personal working life, but also the professional body. The cases trained me to arrange my plan which is similar to the actual work. I need to finish my work on time with good quality. The cases was an effective tool to convey real experience. In the future, I can apply the ethical codes to my work."</i> (P14)
4. Problems of auditing students		
➤ Students lack of precise concepts in accounting	YES: The reflective case studies encouraged students to gain deeper understanding. They utilised prior knowledge relating to accounting and auditing to solve problems in the case studies.	<i>"The cases encouraged me to learn from history. I realised the mistakes from the cases. I know the underpinning reasons and solutions of the problems. Thus, I would avoid these malpractices in the future. The developed cases teach me to choose the best way to solve problems. A framework from the code of ethics is a good guideline for being a good auditor in the future. ...In the future, I won't be an unfaithful person. The cases provoked me to think what is going to be if I conduct frauds. In addition, I have more concerned</i>

Performance Gaps	Was Performance Gap Closed After the Cases' Implementation?	Examples
		<i>about effects on other people. Fraudulent causes sufferings, so I must avoid this bad behaviour..." (P13)</i>
➤ Students lack of analytical skills	YES: The reflective case studies and learning activities such as writing audit working paper motivated students to gain critical and analytical thinking skills	<i>"I think the things I have learnt from the cases can be applicable in real-life situations. For example, professional scepticism, analytical skill, problem-solving skill and ethical awareness which I have practised from the case reminded me of being a good auditor who comply with the ethical codes. I have to devote myself to the audit engagement. I can effectively handle with the problems in the future. Significantly, the cases encouraged me to be deliberate. If I encounter the real-life situations, I would be ready to tackle the problems." (R5)</i>
➤ Students lack of personal skills / communication skills	YES: The developed instructional intervention provided students an opportunity to communicate with their peers. Simultaneously, students have to listen with opening mind and express their own opinions	<i>"Case studies provided an opportunity to exchange knowledge among the group members. Students could share their ideas and helped each other to create a completed version of group work. Two way communication also facilitated learning atmosphere. For example, I felt free to ask the lecturer whenever I had questions. I like this learning strategy." (R5)</i>
➤ Students lack of deliberation	YES: Students deliberately thought about ethical dilemmas and solutions for the problems	<i>"The reflective cases practised me to deliberately deal with problems. In addition, they stimulated logical, rational and systematic thinking. This is not only useful in my study, but also my career in the future. I know how to solve ethical problems from the cases" (R13)</i>
➤ Students cannot connect theory with practice	YES: Students can link theoretical content to practice	<i>"I was happy when I had a chance to practice. At first, I expected that this course would focus on theory rather than practice. After doing audit working paper, I was glad to gain deeper understanding on the audit procedures. In fact, I was a little bit confused at the beginning. Consequently, I had a chance to discuss with the lecturer and group members. I could deal with the complexity. In particular, the cases were developed from the real events in Thailand which are very useful. Now, I know how to solve problems in real-life situations." (P15)</i>
➤ Students rarely aware of professional ethics and lack of ethical sensitivity	YES: Students experienced an enhanced sense of ethics	<i>"I think the things I have learnt from the cases can be applicable in real-life situations. For example, professional scepticism, analytical skill, problem-solving skill and ethical awareness which I have practised from the case reminded me of being a good auditor who comply with</i>

Performance Gaps	Was Performance Gap Closed After the Cases' Implementation?	Examples
		<p><i>the ethical codes. I have to devote myself to the audit engagement. I can effectively handle with the problems in the future. Significantly, the cases encouraged me to be deliberate. If I encounter the real-life situations, I would be ready to tackle the problems.” (R5)</i></p> <p><i>“Using the cases as an instructional tool, I have learnt to solve complex situations. The decision making process was systematic, reasonable and accurate. The ethical awareness protects me from conduct ethical malpractice. The results from the misconduct do not only affect my personal working life, but also the professional body. The cases trained me to arrange my plan which is similar to the actual work. I need to finish my work on time with good quality. The cases was an effective tool to convey real experience. In the future, I can apply the ethical codes to my work.” (P14)</i></p>

Table 8.6 of Chapter 8 showed important features of students' learning before and during the cases' implementation. The table above also helps to confirm that the learning strategies, attitudes, and performance gap of the students can be closed by the implementation of the reflective case studies. However, the supporting evidence was mainly collected from students and there are therefore some limitations of this thesis. I will discuss this issue in the next section.

9.5 Limitations

As explained above in Section 9.1, the ADDIE – Evaluation phase suggests three levels: (1) Perception, (2) Learning and (3) Performance. Apparently, this study conducted level 1 of the evaluation criteria. However, this study did not completely

conduct level 2 and 3. Although some empirical results from observation and other research instruments could demonstrate better performance of the students after the cases' implementation, this thesis has no information about students' exam results. Furthermore, the lecturer did not provide information about whether the students will possibly have good performance on the job. Additionally, the quality of the learning resources was not evaluated by a neutral third party such as employers. The reason is that there is a time limitation for the Ph.D study. The results can only affirm that using the reflective case studies was benefit to auditing students in the classroom. Therefore, in the future these limitations should be expanded as a further study. There should be an evaluation from the lecturers and employers to confirm that the performance gap of audit education in Thailand can be closed by using the developed instructional intervention.

9.6 Summary

This chapter reported qualitative evidence to affirm the effectiveness of the instructional resources. The empirical results from the self-reflective writing and focus group interview, including observations revealed that students mainly transform their ethical sensitivity, learning strategies and attitudes towards auditing. In addition, the findings provided supporting details to confirm that the performance gap of audit instruction in Thailand could be closed after the implementation of the reflective case studies. However, this thesis could not complete all levels of the evaluation process of the ADDIE – Evaluation because of the time constraint. This weakness should be improved in a further study.

PART IV: DISCUSSION AND CONCLUSION

CHAPTER TEN

DISCUSSION AND CONCLUSION

10.1 Introduction

The purpose of this chapter is to review the study and discuss the significant issues which have been discovered throughout the study. It comprises six main sections. The first section summarises the research objectives, conceptual framework and research methods of the study. The second section reviews the significant results from the empirical chapters. In addition, this section considers whether the research findings has answered all of the research questions. The third section highlights and discusses the key issues from the entire study. The fourth section presents the two main research contributions: academic contributions and practical contributions. The fifth section outlines the limitations of the study, including a discussion on how the research could be improved. Consequently, some suggestions are provided for possible areas of the further study. Lastly, the sixth section offers some final thoughts.

10.2 Research Objectives, Conceptual Framework and Research Methods

This study principally aimed to consider what educational aspects would enhance professional knowledge, skills and ethics of auditing students in Thailand. It sought to understand the performance gap of audit instruction in Thailand and attempted to design and develop an instructional intervention for auditing students. Moreover, this thesis tried to validate the quality of the designed instructional resources. The assumption of the study

was that an integrated instruction such as using case studies and teamwork activities through discussion and project-based approaches contributes to enhance holistic attributes of auditing students, in particular, ethical aspect of the students. There were seven research objectives (1) to examine current audit instructional methods in Thailand, (2) to explore problems of current audit instruction in practice, (3) to identify performance gap of audit instruction which is required to develop in Thailand, (4) to design the instructional intervention to enhance holistic attributes of auditing students, (5) to develop (refine and validate) the instructional intervention for auditing students in Thailand, (6) to implement the designed instructional intervention and examine students' response to the instruction and (7) to evaluate effectiveness, strength and weakness of the instructional intervention.

The theoretical foundation of this thesis was derived from four learning theories: Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) (see Figure 4.5 of Chapter 4 in page 152). This thesis employed concepts of learning theories to enhance holistic attributes of auditing students. The notions of the four theories promote transformation and acquisition of a new knowledge within individuals. All four theories emphasise life-long learning and adult learning which is important to the audit profession. In addition, these four theories can be applied to strengthen professional skills such as critical thinking skill, professional judgement, and professional scepticism of auditing students. Significantly, concepts of Experiential learning theory, Reflective learning and Project-based learning theories can enhance decision making and problem-solving skills of the students through taking action on complex problems. Concepts of Transformative

learning theory and Project-based learning theory can enhance analytical skill of the students. Critical reflection encourages students to analyse and scrutinise their experience (Schön, 1983). After this process, students will construct their own new concept and take action on problems by active experiment (Kolb, 1984). Project-based learning supports an investigation process. Students are challenged to analyse alternative ways to solve problems and make a decision on the best way to deal with the circumstances. Moreover, Project-based learning theory can enhance collaboration and communication skills of students. Working on a project, students have an opportunity to work in groups and communicate their ideas to group members. In terms of ethical development, Transformative learning theory and Reflective learning theory dominantly can develop the ethical sensitivity and moral reasoning of auditing students. Transformative learning encourages students to concern about causes and effects of ethical issues. In addition, it promotes critical understanding of moral reasoning. Reflective learning encourages students to express their ideas through speaking and writing. The reflective practice of ethical dilemmas encourages students to convey their understanding, generate critical thinking to deal with ethical problems. Finally, students become aware of their way of knowing and tend to change ethical behaviour (Lucas, 2008). As mentioned earlier in Table 3.5 of Chapter 3, academic capability, professional skills and professional ethics of auditing students are key elements for improvement in audit instruction. To this end, a combination of these four theories was utilised to help achieve these aims.

This thesis employed methodological considerations of Kuhn (1970) and Laughlin (1995) to develop its research paradigm. The thesis posits at “Constructivist” where a researcher views that realities are universal. Knowledge can be discovered and

constructed by the researcher who plays the role as a participant in research setting. In addition, theoretical, methodological and change dimensions of this thesis were discussed through the lens of Laughlin's model. I considered Laughlin's Middle-range thinking appropriate because this model encourages interdisciplinary study, and values a change in the status quo. The medium-medium-medium designation in Laughlin's (1995) Middle-range thinking suggests that researchers should refer to theory to explain some broad understanding of relationships. The medium position suggests that researchers should use a qualitative research approach. However, the researchers can refine research methods depending upon actual situations. In terms of change characteristics, the medium position allows radical change, but generally focuses on maintenance of status quo (see Table 5.2 in page 165).

As discussed in Section 5.2.1 of Chapter 5, this study employed four learning theories as the research framework. It aimed to investigate current problems and practice of audit instruction in Thailand, and attempted to improve quality of audit instruction by developing and implementing an instructional intervention for students. Especially, this study sought to provide evidence to enhance ethical aspects of auditing students. The nature of knowledge seems to be subjective and abstract. Therefore, various data collection methods in qualitative research approach tend to be appropriate to conduct the thesis. Moreover, this study also assumed that the instructional intervention could make initial change of individual students. Thus, this study applied the medium position of the Middle-range thinking. To this end, a case-study methodology was adopted to gain deeper understanding of audit instruction in Thai context, whereas action research methodology was applied to create an instructional intervention. In addition, the thesis attempted to

narrow the performance gap of audit instruction in Thailand by applying learning theories to practice. To this end, concepts of action research (Norton, 2009) and the ADDIE systematic instructional design (Branch, 2009) were adopted (see Section 5.2.2 and 5.3.1 of Chapter 5). Various instruments and techniques were used for the data collection. Data from the empirical investigation was gathered to analyse and interpret the meanings. Finally, the results bring to a conclusion of effectiveness of the instructional intervention. The summary of research methodology and research methods of this thesis were exhibited in Table 5.4 of Chapter 5 (page 194).

10.3 Research Questions and Summary of Findings

There were five main research questions. Each main question had sub questions, as exhibited in Table 1.1 of Chapter 1 on page 10. In order to affirm that all research questions have been answered, this section will consider whether the conceptual framework and the empirical findings of this thesis could pursue each main research question and its sub questions, respectively. The summary of the evidence is presented in the table below.

Table 10.1: Research Questions and Summary of the Findings

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
1	What are current practices and problems of audit instruction in Thailand?	<ul style="list-style-type: none"> What are current audit instruction methods in higher education in Thailand? 	<ul style="list-style-type: none"> Auditing knowledge instruction: There was only one compulsory auditing course which was actually launched in the accounting curriculum in Thailand 	Section 6.4.1 of Chapter 6 in page 201-209

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
			<ul style="list-style-type: none"> • Teaching methods in Auditing: Audit lecturers delivered content by using traditional methods such as lecture and exercises. • Learning atmosphere and attitudes towards Auditing: Most students had negative attitudes towards audit teaching and learning. • Skills instruction in Auditing: Skills instruction was highlighted in audit instruction. Various teaching methods were utilised to convey professional skills such as giving examples, guest speakers, case studies, VDO clips, role playing and internships. • Ethics instruction in Auditing: Ethics was inserted in each module related to accounting. In general, lecturers provided overall concepts of ethics and codes of ethics to students. However, in practice, ethics teaching in auditing was not emphasised as it should be. 	<p>Section 6.4.2 of Chapter 6 in page 209-212</p> <p>Section 6.4.3 of Chapter 6 in page 212-214</p> <p>Section 6.4.4 of Chapter 6 in page 214-216</p> <p>Section 6.4.5 of Chapter 6 in page 216-221</p>

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
2	To what extent is there a performance gap of audit instruction which is required to develop in Thailand?	<ul style="list-style-type: none"> What are problems of current audit instruction methods in practice? 	<ul style="list-style-type: none"> Curriculum structure: Second or third courses in auditing as well as an integrated course were demanded in Thailand. Negative attitudes of auditing students: Students commented that auditing is a boring subject. The subject matter causes tension and anxiety of students. In addition, students had less motivation and less confidence when they studied auditing. Lack of instructional resources: Instructional resources such as textbooks and cases studies in Thai context and Thai language were required in Thailand Deficiencies of auditing students: Thai auditing students lacked of precise concepts in accounting. Also they had poor professional skills such as scepticism, analytical skills, communication skills and deliberation. Additionally, students lack could not link theory with practice. 	<p>Section 6.5.1 of Chapter 6 in page 225-227</p> <p>Table 6.4 of Chapter 6 in page 213</p> <p>Section 6.4.2 of Chapter 6 in page 209-212</p> <p>Table 6.6 of Chapter 6 in page 224</p>

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
			Students rarely aware of professional ethics.	
		<ul style="list-style-type: none"> What are the interviewers' views on how auditing should be taught to enhance knowledge, skills and ethics in higher education? 	<ul style="list-style-type: none"> The ideal auditing class: A modification of accounting curriculum and integrated instruction were required. Real-life case studies were believed as a possible way to engender deep learning, professional skills and professional ethics to auditing students in Thailand. 	Section 6.5.1 of Chapter 6 in page 225-227
3	How should the instructional intervention be designed and developed in order to enhance holistic attributes of auditing students in Thailand?	<ul style="list-style-type: none"> What are the essential elements for designing the reflective case studies 	<ul style="list-style-type: none"> The ADDIE model suggests four steps to for designing the instructional resources. However, in practice, there were five steps of designing the reflective case studies. 	Table 7.1 of Chapter 7 in page 236 Figure 7.1 of Chapter 7 in page 239
			<ul style="list-style-type: none"> There were four elements constructed as a framework of the reflective case studies as follows: (1) The conceptual framework of the thesis in Chapter 4 (2) Hidden curriculum (3) Code of ethics in accounting profession (4) Vignette and real-life situations 	Figure 4.5 of Chapter 4 in page 152 Section 7.3.2 of Chapter 7 in page 242-247

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
		<ul style="list-style-type: none"> What are the essential elements for developing the reflective case studies 	<ul style="list-style-type: none"> The ADDIE model suggests five steps to for developing the instructional resources. However, in practice, there were five steps of developing the reflective case studies. 	<p>Table 7.1 of Chapter 7 in page 236</p> <p>Figure 7.1 of Chapter 7 in page 239</p>
		<ul style="list-style-type: none"> What are views from experts to refine the instructional resources for auditing learning? 	<ul style="list-style-type: none"> Valuable comments were provided in Appendix 15 of this thesis. 	<p>Appendix 15 in page 459</p>
		<ul style="list-style-type: none"> To what extent should they be refined and developed to enhance quality and validity of the instructional intervention? 	<ul style="list-style-type: none"> The ADDIE model suggests three main types of conducting formative revisions: <ol style="list-style-type: none"> (1) One-to-one trial (2) Small group trial (3) Field group trail <p>This thesis employed a small group trial to validate quality of the instructional intervention. There were eight experts from the UK and Thailand who provided valuable comments. Some experts devoted their time for the second comments. After received the comments, the reflective cases were refined and developed within three months.</p> 	<p>Section 7.4.4 of Chapter 7 in page 259-260</p> <p>Appendix 10 in page 449</p> <p>Appendix 15 in page 459</p>

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
4	What are students' perceptions of learning before, during and after the implementation of the designed instructional intervention?	<ul style="list-style-type: none"> What are students' perspectives on the instructional intervention before the cases' implementation? 	<ul style="list-style-type: none"> The results from observation showed that at the beginning of the cases' implementation, students seemed to have negative views on the instruction. This is similar to the results of the open-ended questionnaire which noted that auditing is not an enjoyable subject for the students because it has too much content and too difficult for the students. 	Table 8.6 of Chapter 8 in page 297
		<ul style="list-style-type: none"> How the students response to the instructional intervention during an experiment? 	<ul style="list-style-type: none"> During the cases' implementation, the results showed that students' learning strategies, attitudes toward ethics and subject matter tended to be changed. Students had positive attitude towards auditing learning, as summarised in Table 8.6 of chapter 8). 	Table 8.6 of Chapter 8 in page 297
5	How effective is the designed instructional intervention for auditing learning, and what are its strengths and weaknesses?	<ul style="list-style-type: none"> After the implementation of the case studies, to what extent the students reflect on how their ethical sensitivity have changed? 	<ul style="list-style-type: none"> Students could transform their ethical recognition, ethical concern and ethical reaction. 	Section 9.3.1 of Chapter 9 in page 303-308

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
		<ul style="list-style-type: none"> After the implementation of the case studies, to what extent the students reflect on how their learning strategies have changed? 	<ul style="list-style-type: none"> Students' learning strategies have changed after the cases' implementation. For example, students could acquire deeper learning, problem solving skill, critical thinking skill, decision making skill, professional scepticism, communication and interaction skill and life-long learning. 	Section 9.3.2 of Chapter 9 in page 308-314
		<ul style="list-style-type: none"> What do the students give feedback on the effectiveness of the instructional intervention for auditing learning? 	<ul style="list-style-type: none"> Positive Feedback (strengths): <ol style="list-style-type: none"> The cases motivated imaginations of students. The audit working paper activity could enhance professional skills and communication skill. The cases encouraged students to gain self-directed learning. Students became more confident and independent to study auditing Students felt more comfortable in the learning environment. Students also had positive comments on 	Section 9.3.3 of Chapter 9 in page 314-321

RQ	Main Research Question	Sub Research Questions	Summary of the findings	Reference
			<p>the learning assessment and the benefits of the instructional intervention</p> <ul style="list-style-type: none"> • Weakness of the Instructional Intervention <ol style="list-style-type: none"> (1) The intervention has time limitation. The three-week usage of the case studies was not enough. (2) Students required more case studies. (3) Students wanted to reduce numbers of the group members. 	Section 9.3.3 of Chapter 9 in page 314-321

10.4 Significant Issues

10.4.1 A Combination of the Learning Theories to Enhance Holistic Attributes of Auditing Students

The ideas of this study came from the performance gap in audit instruction worldwide where knowledge, skills and ethics of auditing students are required to be improved. In addition, a study by Helliard *et al.* (2007) suggested that educators in higher education should prepare their students to have a more holistic view of accounting (Helliard *et al.*, 2007, p. 59). This idea of developing holistic attributes of auditing students has never been mentioned among audit educators in Thailand, as discussed in Section 4.2 of Chapter 4. Additionally, this study aims to encourage auditing students to approach the ideology of professionalism (see Table 4.1 of Chapter 4 in page 106). The prior literature

revealed that other professional disciplines, such as medicine, employed learning theories in curriculum designs, and that those educators were successful in enhancing the characteristics of professionalism within their students. For this reason, this study sought to apply learning theories which can tailor the enhancement of holistic attributes within auditing students.

In order to select appropriate learning theories for audit instruction, this thesis lays three key elements for improvement within individual auditing students as main problems to resolve: (1) academic capability, (2) professional skills such as critical thinking, decision making, problem solving, judgement, analytical, collaboration, communication skills and professional scepticism, and (3) professional ethics such as ethical recognition, ethical concern and ethical behaviour of auditing students. In addition, the literature review highlighted that traditional teaching methods in audit pedagogy such as lectures and exercises have been criticised as inefficient. This also results in negative attitudes of auditing students toward the subject matter and the audit profession (as shown in Table 3.5 of Chapter 3 in page 102). Furthermore, the empirical results from Thailand in Chapter 6 also demonstrated that these problems remain as current problems of audit instruction in the Thai context (see Table 6.7 of Chapter 6 in page 232). Therefore, this thesis attempts to apply appropriate learning theories which can fulfil the performance gap of auditing instruction in Thailand.

Although there are many educational theories which can be applied to enhance knowledge, skills and ethics of students, educators should select and apply suitable theory to solve problems in specific circumstances, as Schwartz (2001) stated:

“Instructional designers strive to engage in ‘cherry-picking’ not selecting which theory is ‘right’ but, rather, selecting the best approach under the particular design circumstances (Schwartz, 2001, p. 365).”

Concurrent with Schwartz (2001), this thesis specifically considers learning theories which cannot only bring auditing students to professionalisation, but also can enhance ethical sensitivity of the students. This thesis contributes to knowledge by combining four learning theories: Transformative Learning Theory (TLT), Experiential Learning Theory (ELT), Reflective Learning Theory (RLT) and Project-based Learning Theory (PLT) to enhance holistic attributes of auditing students for the first time assuming that a combination of these four theories can strengthen “the ideology of professionalism” within the students.

Academic Capability Enhancement and the Combined Theories

Professionals have to endure changes. They need to update and further develop their knowledge and enhance academic capability in order to confront rapid changes (Evetts, 2014). For example, professions such as law and accounting have to be involved with continuing professional development (CPD). Thus, self-directed, life-long learning and autonomous learning become the keys of success of each profession.

In order to prepare for qualified professionals in the future, it is important to nurture life-long learning, autonomous learning and self-regulated learning within individual students. Concepts of the four theories: Transformative Learning, Experiential Learning, Reflective Learning and Project-based Learning theories contribute to academic capability of auditing students, especially, the development of life-long learning and autonomous learning of the students. Transformative learning contributes to enhance

“knowledge acquisition as an adult” of students. It focuses on self-constructed knowledge through contextual understanding and critical reflection (Mezirow, 2012). According to Mezirow (2012), learning is epistemic cognition which can be constructed by using prior interpretation to construe or revise the meaning of one’s experience. Similarly, concepts of Experiential learning theory (Kolb, 2015), Reflective Learning Theory (Moon, 2004) and Project-based learning (Krajcik *et al.*, 1999 cited in Frank *et al.*, 2003) also support adult learning and transcendence. Experiential learning theory is manifest in terms of promoting a construction of a new knowledge through real-life experience and complex scenarios. Reflective learning theory is prominent in enhancing academic capability through critically reflecting on problems or situations. Furthermore, Reflective learning theory also contributes to enhance ethical knowledge, ethical concern and ethical reaction of individual students. Reflective thinking provokes deeper understanding about specific contexts. Critical reaction on assumptions encourage students to validate rationales for resolving ethical problems. Project-based learning theory is eminent in terms of introducing scientific and systematic thinking. Students can autonomously and independently construct their own knowledge through authentic experience. Moreover, project-based learning facilitates collaborative learning atmosphere and sense of satisfaction of students (Green, 1998, cited in Frank *et al.*, 2003, p. 276).

The results in Section 9.2.2 of Chapter 9 demonstrate that after the implementation of the case studies, students seemed to acquire deeper learning, autonomous learning and self-directed learning. Accordingly, students became more critical and sophisticated. Rather than trying to remember content in accounting and auditing, students transformed their learning strategies by surveying their previous knowledge, rethinking about

problems in the case studies and solving the problems by themselves. They unconsciously and autonomously acquire knowledge by themselves. For instance, respondent P10 said that her learning strategies have changed after the cases' implementation. The cases encouraged her to search for relevant information by herself. She had an opportunity to exchange her ideas with others. Finally, she had constructed a new knowledge through these activities (see Table 9.2 of Chapter 9 in page 309-310). Thus, this evidence supports that a combination of the four learning theories can bring a higher level of knowledge acquisition.

10.4.1.1 Professional Skills Enhancement and the Combined Theories

A combination of the four learning theories contributes to enhance critical thinking, professional judgement and professional scepticism of auditing students. They allow students to organise and survey their own knowledge, revise rationales and discover a new knowledge by themselves. This concept enhances critical thinking and professional judgement of the students. Applying the ideas of the four learning theories to the case studies, students were provoked to revise their own knowledge regarding professional codes, accounting and auditing standards. In addition, students had an opportunity to identify ethical issues, raise questions which they did not understand, figure out the answers by discussing with colleagues and the lecturer. For example, respondent R4 stated that the cases encouraged her to critically think and reflect on each alternative solution. She had to scrutinise and choose the best way for the solution (see Table 9.3 of Chapter 9 in page 312). Respondent R7 added that the cases enhanced her professional judgement and scepticism. She had to deliberately think before taking action. The cases

encouraged her to raise questions regarding ethics in the auditing profession (see Table 9.3 of Chapter 9 in pages 312-314).

Experiential Learning, Project-based Learning and Reflective Learning theories affect deeper learning, capability and competent auditing skills. Particularly, they enhance problem solving and decision making skills of auditing students. Concepts of these theories encourage students to tackle complex problems through taking action by themselves. For example, respondent R4 noted that the complex problems in the cases encouraged her to raise questions and take action on ethical problems. Eventually, the cases taught her to handle the problems by herself (see Table 9.3 of Chapter 9 in pages 312 - 314).

In addition, Transformative Learning and Project-based learning are beneficial to improve analytical skill of the students. Concepts of transformative learning help students to reflect on their own knowledge and experience, whereas concepts of Project-based learning help students to enhance systematic and critical thinking. The results show that the reflective case studies encouraged students to raise questions, analyse and divide problems into sub-problems. Apparently, students could manage their learning step-by-step. They could connect theory with practice and could rethink about underlying rationales for the professional judgement. Eventually, students could find the solutions by themselves. For instance, respondent R1 cited that the cases enhanced his analytical skill. He could gain systematic and logical thinking through asking himself questions and searching the way to solve problems by himself (see Table 9.3 of Chapter 9 in pages 312 - 314).

Project-based learning contributes to improve collaboration and communication skills of auditing students. Example of respondent R5 demonstrates changing in auditing students after the implementation of case studies. She stated that the cases provided an opportunity to exchange knowledge among the group members. Students could share their ideas and helped each other to complete the assignment (see Table 9.3 of Chapter 9 in pages 312 - 314).

With regard to professional skills enhancement in audit education, former audit educators tended to apply a specific learning theory to enhance professional skills of auditing students. For example, Kreber, 2001; Gifford and Howe (2012); Schwartz, Spires and Young (2004) and Siegel *et al.* (1997) attempted to enhance critical thinking skill of their students by applying concepts of Experiential Learning Theory. Moreover, those academics tended to focus on enhancing professional knowledge and skills of the students rather than the ethical aspect. Rather, this thesis applied concepts of the four theories: Transformative learning, Experiential learning, Reflective learning and Project-based learning theories to develop holistic attributes, including ethical aspect of auditing students. As demonstrated above, the empirical evidence from Thailand underpins that the concepts of the four learning theories can be utilised in audit education.

10.4.1.2 Professional Ethics Enhancement and the Combined Theories

This thesis highlights that a combination of Transformative Learning and Reflective learning theories affects ethical development of auditing students. As mentioned in Section 3.3.3 of Chapter 3, merely providing a lecture about ethics in the classroom seems to be insufficient for nurturing ethical sensitivity. On the other hand,

encouraging ethics in a person's mind should be implicitly absorbed in his or her unconscious memory. This complies with Mezirow's (1997) "a frame of reference". Reflective practice influences a way of thinking to be more critical and mature. Eventually, productive results of critical reflections also influence ethical behaviour, as discussed in Section 4.3.1 of Chapter 4. The empirical evidence showed in Section 9.2.1 affirms that participants' ethical aspect could change after using case studies. Reflective practice elicits participants' ethical recognition and ethical concern. Furthermore, by continuously applying reflection to the real-life situation, students will be able to transform their behaviour. Quotations of participants P12 and P13 exhibited in Section 9.2.1 of Chapter 9 can be examples of the transformation. P12 stated:

"The developed cases derived from real-life situations which enlighten on the actual audit engagement. Ethical dilemmas in the cases were a good guidance for us. We might encounter the similar situations in the future. At least, the scenarios will encourage us to rethink about ethics and we know how to deal with these ethical problems now." (P12)

P13 also cited:

"The cases encouraged me to learn from history. I realised the mistakes from the cases. I know the underpinning reasons and solutions of the problems. Thus, I would avoid these malpractices in the future. The developed cases teach me to choose the best way to solve problems. A framework from the code of ethics is a good guideline for being a good auditor in the future. ...In the future, I won't be an unfaithful person. The cases provoked me to think what is going to be if I conduct frauds. In addition, I have more concerned about effects on other people. Fraudulent causes sufferings, so I must avoid this bad behaviour..." (P13)

10.4.2 An Application of Qualitative Research and the ADDIE Model to Develop Ethical Sensitivity of Auditing Students

This thesis adopted qualitative research approach to my study. It mainly employed action research methodology to solve current audit instruction in Thailand. As stated earlier that this thesis principally set out to enhance holistic attributes of auditing students. Particularly, this thesis aimed to enhance ethical sensitivity of auditing students. To this end, this thesis embraced concepts of qualitative research, action research and the ADDIE instructional design model as a framework of the empirical investigation. The reason of applying qualitative research and action research is that ethics tends to be subjective and abstract in nature. It is also difficult to measure or gauge individuals' ethical value. In the context of my study qualitative information was not ideal for answering the research questions. On the other hand, qualitative data provides more rich data which can be interpreted and analysed in order to gain more understanding about human behaviour, social phenomenon, including educational environment. This is consistent with Olson (2010) who cited that nature of action research more facilitates the researchers to answer qualitative research questions in educational settings than the quantitative research. In addition, the foundation of action research can pave the way for developing "professional growth in individuals" (Herr & Anderson, 2005, cited in Olson, 2010, p.22).

Another reason for applying action research and the ADDIE model is that both of them support changes and development within pedagogy and individuals. Action research and the ADDIE model introduce circle processes (see Figure 5.4 & 5.5) where the outcome of one study can be the input of the further study. Additionally, feedback from a project in a specific context can be developed in another project (Eden & Huxham,

1996, cited in Saunders *et al.*, 2009, p. 147). This concept puts forward continuous developments and changes in teaching and learning, including individuals' attributes. On one hand, action research influences changes in instruction. Processes of action research are a combination of theory and practice which reflect practical problems in educational settings. Taking action on specific pedagogical problems, the researchers are stimulated to reflect on the intervention and their application of educational theories (Avison, Lau, Myers *et al.*, 1999). Saunders *et al.* (2009) cited that "Action research strategy therefore combines both data gathering and facilitation of change (Saunders *et al.*, 2009, p. 148)". Thus, the concepts of action research are appropriate to tackle the performance gap in audit instruction. The circular processes of action research promotes continuous development in education, whilst, concepts of the ADDIE instructional design model underpin changes in individual students. The results shown in Chapter 9 of this thesis demonstrated that an application of the ADDIE instructional design model can enhance ethical sensitivity of the students. It is discovered from the empirical evidence that the ADDIE model does not only contribute to enhance learning outcome such as knowledge and skills (Branch, 2009), but also ethical aspect of auditing students. Respondent R14 demonstrates the ethical learning outcome after the cases' implementation, as she said:

"Working with the case studies lead me to be more logical. I realised that auditors must consider on rationales and logics of the engagement since they sign in the engagement letter. They must deliberately inspect and gather audit evidence, and so forth. Importantly, auditors have to think about other effects which influence their audit performance. Unless auditors perform audit with carelessness, the impacts of misconduct might be widespread. For example, if auditors who sign in an unqualified auditor's report but in fact the financial statements of the company significantly misstate, the impacts do not only affect the auditors themselves (e.g. cancelation of professional certificates), but also affect clients, companies, public and entire society..." (R14)

As mentioned earlier, nurturing ethical sensitivity takes a long-term period. Ethical sensitivity cannot be cultivated by merely using case studies in a short-term duration. In addition, professional transcendence needs continuous and gradual changing. Weaver *et al.* (2008) stated that:

“... ethical sensitivity is characterised by profound understanding, consciousness of wholeness that does not lose the relativity and relationships among particular things. The professional empathically interprets the situation, determining how it affect stakeholders and alternative actions, along with the consequences of these actions. Ethical sensitivity develops through self-evaluation and insight into professional motivations and actions. Because ethical sensitivity grounds the pursuit of morally right action, it becomes a resource for practice (Weaver et al., 2008, p. 613).”

Thereby, instructional resources for developing ethical sensitivity of students should be continuously developed and virtually used. In the future, the direction and perspective of ethics education will become wider (Karafillis, 2012), Action research and the ADDIE instructional design model can be effective concepts for audit educators to develop their instruction and students. For instance, respondent P7 (in pages 317 – 318) stated that the developed cases will be beneficial in both her future career and study. Significantly, she believed that the cases could cultivate her life-long learning. Respondent P14 (in page 319) also added that the cases can be an effective tool to enhance her ethical awareness. In the future, she will apply the ethical codes to her work. This implies that the concepts of action research and the ADDIE instructional design model which are employed to design and develop the reflective case studies can be useful to develop an effective learning tool which students agreed that this method will valuable in the future.

10.4.3 Effectiveness of the Reflective Case Studies as an Instructional Tool for Auditing Learning

Traditional audit instruction tends to stress contextual and theoretical content rather than practice (Dennis, 2003). This results in a failure of real-life practice when graduate students enter to their careers. As discuss in Section 3.3.1 of Chapter 3, traditional instruction encourages superficial learning approach where students cannot visualise the entire auditing procedures. Consequently, lack of deep understanding in the content discourages students' motivation in their study and influences negative attitudes toward the auditing profession. This problem still apparently exists in Thailand as shown in Table 6.4 of Chapter 6 in page 213, Thai students reflected that auditing is a boring subject which causes tension and anxiety of students. Students had less motivation and confidence to study auditing in Thailand before I developed and applied the reflective case studies.

In addition, prior literature revealed that case studies can be an effective tool to promote deep and active learning of students. It can mitigate problems of linking between theory and practice of students. Also, case studies can promote holistic attributes of auditing students, in particular, students can enhance ethical sensitivity by using case studies as discussed in Section 3.5 of Chapter 3. For this reason, through this study I designed and developed a set of reflective case studies as an instructional tool to transform learning strategies of auditing students in Thailand. Concepts of producing case studies can be derived from other professional disciplines such as medicine, nursing, law and engineering. Especially, the reflective case studies were designed from real ethical scandals in Thailand through a set of vignettes (see Section 7.3.2 of Chapter 7). Hughes

(2010) cited that vignettes elicit ethical decision making within individual students (Hughes, 2010, p. 218). Telling a short story in a vignette form encourages students to gain dynamic understanding of ethical dilemmas because students have a chance to generate their imagination (Maclagen, 1998, cited in Hughes, 2010, p. 218). As discussed earlier, ethics is abstract and subjective, finding solutions for ethical dilemmas in a vignette brings theory (such as codes of ethics and professional standards) to practice. Hughes (2010) commented in this study that a case material which encourages readers to identify ethical issues, determine codes of ethics and key parties, and suggest possible solutions is likely to be traditional fashion. On the other hand, more effective case studies should provoke the readers to take action on the ethical dilemmas (Hughes, 2010, p. 219). However, the instructional intervention in this thesis goes beyond Hughes's (2010) comments. Concepts of Project-based learning theory applied in the cases can encourage participants to take action on the ethical dilemmas. Rather than the process which Hughes (2010) claimed as a traditional ethics instruction, participants created their own concepts, projects, presentations showing how they would tackle the ethical dilemmas in groups. The empirical results in Section 9.3 of Chapter 9, for example, shows that the reflective case studies could not only change their learning strategies to deep and active learning, but also could cultivate sense of ethics through reflective practice and project-based approach. In addition, the designed case studies could change participants' perspectives toward auditing learning and auditing profession. In other words, results from this thesis support the notion that case studies can be an effective tool for auditing instruction. For instance, participant P7 stated that:

“Reflective writing in the audit working paper encouraged me to practice critical thinking. I had to gather all information and searched for ethical

solutions by myself. On the other hand, working in group provided an opportunity to share the ideas. I found that everyone had several moral reasons. I could learn from my colleagues' perspectives. Finally, the group members could find a consensus on ethical judgement and decision making. These techniques were quite useful in the real practice.” (P7)

10.4.4 Integrated Instruction and Academic Achievement of Students in Higher Education in Thailand

Traditional instruction in Thailand is likely to be teacher-centred (as mentioned in Section 2.2.2 of Chapter 2). This instructional culture causes superficial learning of the Thai students. As a consequence, graduate students often encounter practical problems in their working lives due to the lack of linkage between theory and practice. This thesis attempted to change this fashion by introducing an integrated instruction to Thai auditing students. As discussed in Section 3.3.1 of Chapter 3, integrated instruction has advantages in terms of promoting an application of multiple knowledge and skills through dealing with complex problems. Students will be able to acquire deep and active learning after the integrated instruction. The empirical evidence examined in Chapter 9 of this thesis also demonstrated that students in higher education in Thailand could reach academic achievement through integrated instruction. Integrated learning could enhance systematic and analytical thinking, including long-term knowledge acquisition which is more beneficial than traditional orientation, as participant P1 stated:

“The reflective writing and audit working paper made me envision the overview of the auditing procedures. I could manage my study. Systematic thinking led me to analyse and synthesis the information. Integrated learning was easier to apply because I could acquire long-term memory rather than reading the textbooks.” (P1)

Moreover, students' attitudes towards learning strategies and the subject matter could change in positive manners after the cases' implementation. For instance, participant R3 stated:

“Before the cases’ implementation, learning in the classroom appeared to focus on lecture. I felt bored with it. This learning strategy caused surface understanding about the content. However, after the cases’ implementation, I have acquired a new learning strategy. Learning through reflective practice and project-based learning led me to manage a role-play activity. I gained enjoyment. I felt that auditing is not a boring subject now. Once I finished the presentation, all of the students could ask whatever they had questions. I think this learning method was quite good. I gained more insights into the subject matter. Moreover, I can remember the lesson more than in the past.” (R3)

This example shows the effectiveness of using case studies as an instructional tool to convey a new experience and knowledge to auditing students. This study also demonstrated that an integrated teaching was not only beneficial to professional disciplines such as law, engineering, nursing and medicine, but also in accounting and auditing.

10.4.5 Ethics Instruction in Accounting and Auditing

“Ethics and integrity lie at the heart of the qualities expected of chartered accountants (Molyneaux, 2008, p.i)”.

The above quotation highlights an importance of ethics and morality in the accounting professions. Even though the ethical codes, professional standards and educational standards have been stipulated to control qualities of accountants, educators should concentrate more on developing a sense of ethics among accounting students and practitioners. Among an emerging debate upon ethics teaching in accounting (see Section

3.3.3 of Chapter 3), the results of this study in Section 9.3.1 of Chapter 9 in page 303 - 308 underpins the notion that ethics can be nurtured in auditing in higher education. However, effective ethics instruction should not be the traditional fashion. This study agrees with Cameron and O'Leary (2015) who argued that ethical instruction in accounting should concentrate on moral concern rather than legitimacy (Cameron & O'Leary, 2015). Consistently, O'Leary (2012) claimed that teaching ethics and morality in accounting should emphasis understanding of ethical conduct rather than ethical principles. Other academics such as Gray, Bebbington and McPhail (1994) and Puxty, Sikka and Willmott (1994) also noted that focusing on techniques acquisition policies, codes of ethics and legalistic approaches cannot succeed in the real practice (Gray, Bebbington & McPhail, 1994; Puxty, Sikka and Willmott, 1994). Current ethics teaching, which focuses on ethical codes, principles and rules is necessary. However, promoting ethical cases to students leads teaching and learning to be more efficient because it can effectively enhance professional judgement (Sullivan, 2004). Therefore, accounting and audit educators should encourage students to reflect on ethical concern emphasising huge impacts of ethical malpractice of accounting professionals to individual, accounting and auditing firms, clients, business environment, public and the entire society.

This thesis also shows that concepts of Transformative Learning Theory and Reflective Learning Theory can be combined to encourage ethical recognition, ethical concern and ethical reaction within a person, as participant R14 stated:

“After the cases’ implementation, I felt as if I encountered the real-life ethical dilemmas in auditing. The cases encouraged me to critically solve the problems. The key idea was not just remember the ethical codes, but I had to apply them to deal with ethical issues. Moreover, the cases

encouraged me to think about effects on my audit professions and other stakeholders. This technique brought deeper understanding how I apply theory to practice. ... Furthermore, the reflective cases enhanced my logical and systematic thinking. My ideas were framed by the ethical codes. Before I took action on ethical judgement, I had to rethink about practicable and reasonable aspects. Scrutinising on ethical malpractices and punishments led me to avoid carelessness. This is my new experience. I believe that my learning strategies regarding ethics in the auditing profession has been transformed.” (R14)

Moreover, the concepts of Experiential Learning Theory, Reflective Learning Project-based Learning Theory can be applied to promote an enhanced learning environment through taking action on ethical dilemmas within group. For example, respondent R5 stated:

“Case studies provided an opportunity to exchange knowledge among the group members. Students could share their ideas and helped each other to create a completed version of group work. Two way communication also facilitated learning atmosphere. For example, I felt free to ask the lecturer whenever I had questions. I like this learning strategy.” (R5)

The empirical results from Thailand can be an example of integrating learning theories and ethics in accounting and auditing pedagogy. Ethics teaching in auditing module is practicable in Thailand. Real-life situations in the Thai context such as fraud, risks, and corruption can supplement the traditional fashion. In addition, this study demonstrated that the ethical sensitivity of auditing students can be nurtured in group environment. The empirical results examined in Section 8.5.3 of Chapter 8 showed that after students finished their individual audit working paper, they worked in group trying to explain their own work to other group members. At this stage, students attempted to identify ethical issues in the case, determined code of ethics related to the cases and explained the solutions. Students in the group discussed on alternative ways of to solve

ethical dilemmas. Eventually, students were able to find a consensus opinion on the solutions of the cases within their group. This learning environment illustrated how students improve their communication skill, critical thinking skills and logical thoughts, regarding ethics and morality. This evidence agreed with Guffey *et al.* (2009) that teamwork and project-based learning can enhance ethical sensitivity of accounting students (Guffey *et al.*, 2009). In addition, results from Section 9.3.3 of Chapter 9 also demonstrated positive feedback of the students toward their learning strategies. Group assignment not only influences moral judgement, but also enhances self-esteem, self-confidence of the students, as participant P15 cited:

“I was happy when I had a chance to practice. At first, I expected that this course would focus on theory rather than practice. After doing audit working paper, I was glad to gain deeper understanding on the audit procedures. In fact, I was a little bit confused at the beginning. Consequently, I had a chance to discuss with the lecturer and group members. I could deal with the complexity. In particular, the cases were developed from the real events in Thailand which are very useful. Now, I know how to solve problems in real-life situations.” (P15)

With regard to ethics teaching in accounting and auditing in Thailand, in fact, Thai students have advantages of religion and culture. Ethics and morality are inherent among Thai people due to notions of Buddhist epistemology. Thai people have cultivated the concept of “the Middle Way to Enlightenment” (Prayukvong, 2005) from Buddhism. Moreover, the “Framework of the Sufficiency Economy Philosophy” from His Majesty the King, Bhumibol Adulyadej (Mongsawad, 2010) inherently influences Thai people to be concerned about causes and effects of ethical malpractices. Unfortunately, current teaching and learning in higher education in Thailand tend to emphasise contextual and theoretical content rather than ethical awareness. Each university focuses on the

production of graduate students to serve the demand of employers and labour markets. Thus, in practice, ethics teaching in accounting tends to be ignored from the educators. Although Thais perceive the importance of ethics and morality, they often overlook immoral practices and impacts of ethical misconducts. The key issue here is that instructors should change the way of ethics instruction in accounting and auditing. Thus, in the future, the reflective case studies can be reproduced in various scenarios. Thai accounting and auditing students should utilise a new learning innovation to nurture ethics and morality. Additionally, this thesis can be an example of ethics teaching in accounting and auditing pedagogy in other countries. In order to enhance a sense of ethics and morality among the accounting and auditing professions, accounting educators can develop real-life case studies and group work activities from current situations of each country.

10.4.6 Buddhism and Thai Culture: A Reflection on Ethical Cultivation

Ethical development is a topical issue among business societies worldwide. Although educators might argue that ethics is subjective (Weaver *et al.*, 2008), and difficult to cultivate, ethics teaching has been emphasised and expected to be more effective since economic scandals (as discussed in Section 3.3.3 of Chapter 3). This thesis aims to develop ethical awareness of auditing students in Thailand where Buddhism influences culture and ethical perspectives of people. Buddhist philosophy also facilitate ethical development and objectives of this thesis. As discussed in Section 2.4.2 and 2.4.5 of Chapter 2, ethical components of Thais are shaped by the Buddha's teachings. Concepts of the Four Noble Truths emphasise reflecting upon causes and effects. In addition, ideas of the Modesty Oattappa encourages people to shame into conducting bad

behaviours and promote ideas of empathy, sympathy and merits. Moreover, the Buddha suggested that training of morality (Sila), meditation or concentration, and wisdom can be effective methods to pursuit Nirvana (Kang, 2011, p.312). These religious background can be linked to reflective practice of auditing students when they dealt with ethical dilemmas. Reflecting on issues such as self-interest, empathy, sympathy within actual cases, students also implicitly applied the Buddha's ideal to understand causes and effects of ethical misconducts such as asset misappropriation, accounting fraud, and bribery and corruption. Learning activities such as reflective writing in audit working paper and group discussions provoke students to scrutinise and realise impact of unethical practice. Eventually, students tend to avoid ethical misconducts in the future. This study demonstrated an application of religious notions in Thai context into practice. The findings also exhibited that reflective practice can be an effective method to encourage a sense of ethics within individuals. The thesis can also contribute to an example of using religious notions to enhance ethical aspect of students.

10.4.7 Practicalities of Ethical Case Studies in Thailand

Application of case studies in professional pedagogy is always a problem in pedagogy worldwide. As discussed in Section 3.3.4 and 3.5.3 of Chapter 3, educators often claim that they encounter with a shortage of effective instructional resources (Adler & Milne, 1997; Quinn, 2004, cited in Sugahara & Wilson, 2013). In addition, educators have time constrain in developing case, and cases sometimes do not cover in long periods of time (Shulman, 1992, p.26). Moreover, educators cannot determine optimal content and experience when they create case studies (opcit.: p. 27). The findings of this thesis in Chapter 6 also found that these problems must the same in the Thai context. However, case studies can be a powerful tool to cultivate habits of mind and enhance ethical

sensitivity of students (Shulman, 1992, p.7). Shulman noted that neophyte will learn how to “think like” a member of the profession through case studies. The key function of cases is encouraging students to response the dilemmas and consider their role, responsibility and ethics as professionals (ibid). The idea of this thesis is consistent with Shulman (1992). However, practicalities of ethical case studies in Thai context should be taken to account. Especially, problems of lacking resources and staff is still occurred in audit education in Thailand. Linking to the cultural setting in Thailand, as discussed above in Section 10.4.6, audit educators should take this opportunity to employ Buddhist philosophy in teaching and learning ethics. Shulman (1992) suggested that a good case should provide narratives social and cultural contexts within the events occur (p. 21). This ideas can be beneficial to Thai educators. Notions of Buddhism should be added in case studies and students should be encouraged to more reflect on religious knowledge and practice.

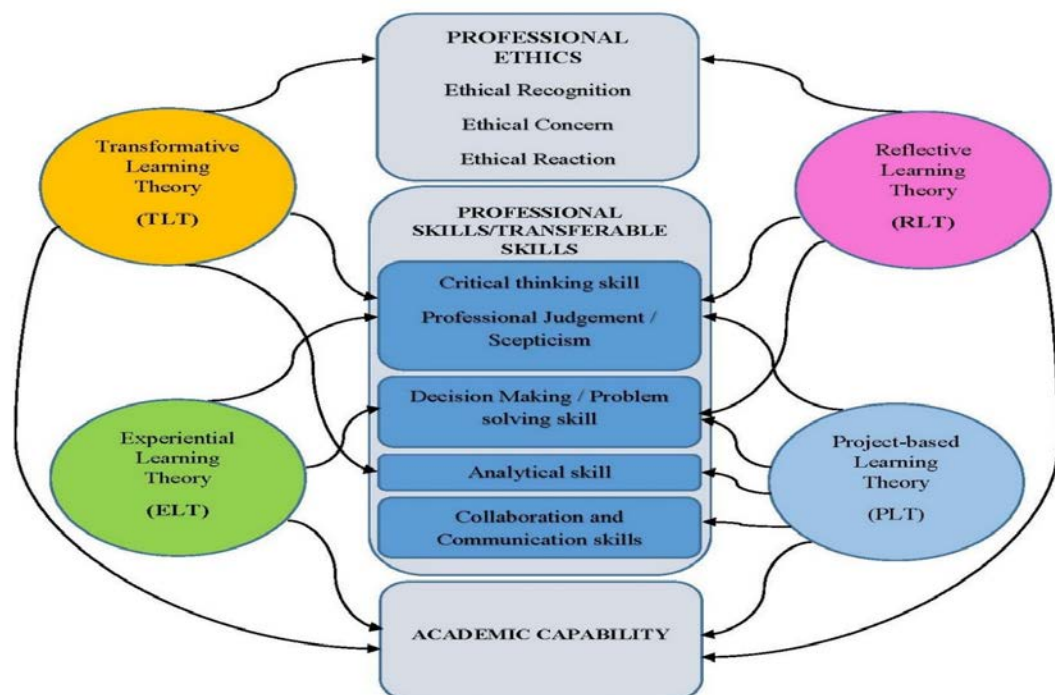
Although this thesis developed reflective case studies to promote a sense of ethics within individual students, the findings seemed to be that students were not as reflective as they should be. The reason might be that the students did not have deep understanding in the concepts of reflection and reflective practice. In response to this issue, perhaps Thai audit educators can adapt cultural background and concepts of Buddhism when they develop case studies in the future. As discussed in Sections 2.4.2 and 2.4.5 of Chapter 2, Buddhism is cultural and acceptable belief among Thai people. Educators also inherently possess ethical background as mentioned in Section 2.4.5 of Chapter 2. Therefore, students might absorb religious notions in their minds through case studies. In order to provoke students to be more reflective, the ideal Buddhists should be promoted to

students. Moreover, Buddhism meditation, concentration, contemplation and thinking of morality (Kang, 2011) might be applied in case initiative.

10.5 Contributions

10.5.1 Contribution to Knowledge

There are two theoretical contributions. First, this thesis combined the four instructional theories to enhance holistic attributes of auditing students for the first time. As mentioned in Section 4.2 of Chapter 4, previous studies focused on enhancing specific aspect of auditing students. For example, Dickins and Reisch (2012) applied constructivist theory to enhance professional scepticism of auditing students (Dickens & Reisch, 2012). Dombrowski *et al.* (2013) attempted to enhance teamwork skills of auditing students, so they utilised experiential learning theory to practice (Donbrowski *et al.*, 2013), and so on. However, this thesis devised a new theoretical model to develop holistic attributes of auditing students, as exhibited below:



This model enhance the approach of Kelly, Davey and Haigh (1999) who were concerned with the holistic education of accounting students in a rapid changing society. According to Kelly *et al.* (1999), accounting educators must produce graduate students who have ability to learn. In addition, students nowadays must continuously adapt themselves in the business environment (Kelly *et al.*, 1999). In this study, I developed, validated and applied the theoretical model to practice in Thai context. The empirical results from Thailand demonstrated that a combination of the four theories could not only pursue the research objectives, but also could be successfully used for the enhancement of ethical sensitivity and life-long learning of the students. Therefore, the model above can arguably be utilised by accounting and auditing educators worldwide to develop holistic attributes of auditing students in the future.

Secondly, this study employed the ADDIE instructional design model to develop auditing education. The development in this thesis can also be a model for designing case studies in auditing. Moreover, this thesis manipulated the ADDIE model to develop ethics of students. The empirical results also proved that an application of the ADDIE model can be successful in developing ethical aspect of the students. This is a theoretical contribution of this thesis since the previous study highlighted that the ADDIE can only be applied to develop knowledge and skills of students (Branch, 2009). Moreover, as discussed in Section 7.2 of Chapter 7, this thesis discovered that stages of design and development suggested in the ADDIE model are flexible. In practice, the researcher amended the steps of the ADDIE model to develop the reflective case studies to enhance ethical sensitivity of auditing students in Thailand. This is interesting for the further study whether the model at Figure 7.1 can be used for the design and development of the

instructional intervention in other contexts. Additionally, this thesis suggested a framework for developing reflective case studies in Section 7.3.2 of Chapter 7. It can be a conceptual framework for audit educators who desire to compose a set of case studies for ethics instruction in the future.

10.5.2 Contribution to Practice

This thesis contributes to a new innovation in audit education. It can be beneficial for the development of audit pedagogy. The first practical contribution is that this thesis applied the ADDIE instructional design model to practice which has never been in accounting and auditing pedagogy before. Secondly, the new instructional intervention became a pioneer instructional technique for accounting education in Thailand. The reflective case studies can cultivate ethical sensitivity, self-directed and life-long learning. This practical contribution is useful for the students who will potentially enter to the auditing profession in the near future. The contribution is also concurrent with the vision of the educational reform of Thailand over the years 2009-2018, as mentioned in Section 2.2.2 of Chapter 2.

Thirdly, the evidence from Thailand demonstrated that a combination of the four learning theories practically enhances autonomous learning, deeper learning, capability and competence of auditing students (see Table 9.2 of Chapter 9 in page 309). In particular, a combination of Transformative Learning and Reflective Learning theories can enhance ethical sensitivity of the students, as discussed in Section 10.4.1 in this chapter. Respondent R15, for instance, also noted that the cases helped her to concern about ethics and morality. The cases reminded her to critically think about ethical

malpractice. She did not only remember the rules and regulations, but also tended to apply the codes of ethics in her future career (see Table 9.3 of Chapter 9 in page 312). In addition, the evidence from Thailand also showed that an integrated teaching is more effective than the traditional orientation, as discussed in Section 10.4.4 of this chapter.

Fourthly, this thesis practically demonstrated how action research, qualitative research, together with the ADDIE instructional design model can be used to develop ethical sensitivity of auditing students, as discussed in Section 10.4.2 of this chapter. Finally, this thesis can be a case study for the development of ethics instruction in accounting and auditing. The ideas from this study can be potentially for use in practice. This might result in a higher level of audit education and might affect quality of audit practitioners in the future.

10.6 Limitation of the Study and Further Research

Although this thesis contributed to the greater achievement of students' learning, there are some limitations. In Section 5.3.8 of Chapter 5, the limitation regarding research methods was discussed. Also, other limitations regarding the application of the ADDIE instructional design model were mentioned in Section 6.8 of Chapter 6, Section 7.5 of Chapter 7 and Section 9.5 of Chapter 9. Apart from those limitations, there are two more significant issues. First, the first empirical fieldwork of this thesis sought to understand current audit instruction methods and problems of current audit instruction in practice. It employed qualitative research, case study research and action research approaches to answer the research questions 1 and 2. The semi-structured interview conducted with 34 participants from 11 universities around Thailand where accounting curriculums were

accredited by the Federation of Accounting Professions, Thailand (FAP). However, these samples might not be a good representation of the entire population. Although the researcher specifically selected the samples from five regions of the country (see Section 5.3.3 of Chapter 5), the self-selected samples are non-probability samples (Saunders *et al.*, 2009). Ritchie and Lewis (2003) cited that:

“In a non-probability sample, units are deliberately selected to reflect particular features of or groups within the sampled population. The sample is not intended to be statistically representative: the chances of selection for each element are unknown but, instead, the characteristics of the population are used as the basis of selection. It is this feature that makes them well suited to small-scale, in-depth studies...(Ritchie & Lewis, 2003, p. 78).”

According to Ritchie and Lewis (2003), a non-probability sample is suitable for in-depth studies. However, in terms of generalisation, non-probability sample has limitations. Results from 34 interviewees might not provide overall information regarding current practice and problems throughout Thailand. It is more interesting to investigate problems of auditing instruction from accounting students and lecturers around the country. Thereby, in the future, mixed method can be applied in further study. For example, probability samplings, survey-based research strategies⁶³ can be conducted with accounting students and accounting lecturers in all universities where accounting curriculums were accredited by the Federation of Accounting Professions, Thailand (FAP). Quantitative data from questionnaires can be used as triangulating data⁶⁴ to narrow this gap.

⁶³ “The survey strategy is perceived as authoritative by people in general and is both comparatively easy to explain and to understand (Saunders *et al.*, 2009, p. 144)

⁶⁴ “Triangulation refers to the use of different data collection techniques within one study in order to ensure that the data are telling you what you think they are telling you. For example, qualitative data collected

Secondly, the experiment of the second empirical fieldwork was carried out with only one cohort in Naresuan University, Phitsanulok, Thailand. As mentioned before in Section 5.3.5 of Chapter 5, participants from Naresuan University can possibly be representatives of auditing students around Thailand because the structure of accounting curriculum, size of classroom, study hours and content of the auditing module in Naresuan University are similar to general universities in Thailand. However, this study still has a weakness due to observer bias. As noted earlier in Section 5.3.5 of Chapter 5 that the researcher used to work as a lecturer in Naresuan University before carrying out this study. During the data collection process, the researcher acted as an observer. After that the collected data was interpreted and analysed data by the researcher. Therefore, bias is likely to be occurred in the interpretation stage. Saunders *et al.* (2009) argued that observer bias can occur when the researchers are a part of the society where they studying. As a result, the researcher cannot detach themselves from the social world and the interpretation will likely be biased (Saunders *et al.*, 2009, p. 297). Nevertheless, this thesis attempted to mitigate this issue by using a moderator who took note of participants' behaviours. After the cases' implementation, the information from the moderator was cross-checked with my collected data. A possible suggestion from this study might be that in the future, the reflective case studies should be used in more than one cohort in other universities in Thailand or elsewhere. The researcher can compare empirical results of the cases' implementation from other universities. To reduce the bias issue, the researcher, who is an observer, should not personally know the participants. In addition, the experiment was conducted only in one semester which was very short-term experiment. In the future, the cases should be utilised in more than one academic year to

using semi-structured group interviews may be a valuable way of triangulating quantitative data collected by other means such as a questionnaire (Saunders *et al.*, 2009, p. 146)

validate the effectiveness of the intervention in a longer period. Furthermore, the experiment only conducted in the university setting in Thailand. In the future, it could be carried out in other settings such as accounting and auditing firms or other universities in different countries.

10.7 Final thoughts

Before I undertook the Ph.D. degree, I personally viewed that audit teaching is hard work. I always asked myself how to improve the quality of teaching and learning and how to reduce a gap between theory and practice of the students. These questions motivated me to embark on this study. At the first year, I started with reviewing literature and found that my thesis should start with the development of an instrument to address the problem. I selected action research methodology as I believed that taking action on the real problems could actually solve the problems. After that I sought to find a framework for developing case studies. I borrowed the ideas from other professional disciplines and employed the concepts of the ADDIE model of instructional design. In order to gain insight into current practice and problem of audit instruction in Thailand. I started conducting the first empirical fieldwork in my first year. Then, I started designing and developing of the reflective case studies in my second year by applying concepts of the four learning theories. After I received recommendations from the experts, I refined and revised the final version of my instructional instruments. At the end of my second year, I conducted an experiment in Naresuan University. I started my third year with analysing my collected data. I interpreted and tried to find significant themes from the data. Meanwhile, I started writing ten chapters of this thesis. Eventually, I finished the first draft in my fourth year.

I realised that my Ph.D journey takes a long period. However, during my study, I have learnt through the action research cycle. I often reflected on my work and amended the plan. Autonomous learning, self-directed and self-regulation are also unconsciously cultivated in my mind. This changes within individual need long duration for development, as Schwartz (2001) stated:

“Learning is a change in human disposition or capability, which persists over a period of time, and which is not simply ascribable to process of growth. (Schwartz, 2001, p.366)”.

I have learnt a lot from my Ph.D experience. Particularly, I found that cultivating ethical discernment of individuals takes longer time. I agreed that nurturing the ethical sensitivity of accounting professionals should start beforehand in the university setting. My own reflections on this experience is that cultivating ethics and morality is an important and direct duty of educators. Although educators have to cover all content and knowledge to students, and sometimes they have time limitation in developing case studies, this is not excuse to avoid encouraging ethical awareness of their students. Educators can be good examples of students, and hidden curriculum can be useful in ethics teachings (as mentioned in Section 2.4.5 of Chapter 2). Teachers can act as a “transformer” who influences and changes ethical perspectives of their students. I expect that educators in Thailand would embrace concepts of ethics and morality as well as Buddhism to their teaching. Also, I hope that Thai educators would more focus on nurturing ethics and morality than in the past. Even though there is no guarantee that ethics teaching can change individuals’ attitude and there is no effective measurement for ethics of human beings, at least using appropriate instructional tools should be develop to promote ethical sensitivity of the students and that should change their behaviour.

This thesis could pursue all research objectives and research questions. It also answered the questions I had before I started my Ph.D study. In particular, it developed the reflective case studies as a learning tool to stimulate a sense of ethics of students. This is a new innovation of audit education in Thailand. The empirical results showed that the developed instructional intervention could enhance holistic attributes of auditing students, in particular, learning strategies and ethical awareness of the students could be enhanced after the cases' implementation. I suggest that this thesis is valuable for audit educators worldwide and audit practitioners in the future. If individuals apply ethical reflection to their working lives, it will contribute to reduce ethical dilemmas in the future.

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APPENDICES

Appendix 1: Consent Form for the Empirical fieldwork

CONSENT FORM FOR RESEARCH ETHICS ON HUMAN PARTICIPANTS (the 1st Empirical fieldwork)

This thesis is conducted under the Code of Practice for Research Ethics on Human Participants of University of Dundee. The researcher is Ms Chanida Yarana, a Ph.d student in Accountancy and Finance from School of Business, University of Dundee. The study, which is supervised by Dr. Elizabeth A. Monk and Dr. Rosa Michaelson, is designed to help understand the way the audit instructors teach their students and find out which aspects in teaching and learning audit should be improved. The researcher will conduct interviews with approximately 20 people who are teachers and students in auditing and/or subject related to auditing and ethics in accounting profession. The results from the interview will contribute to the development of a conceptual framework and an instructional model for auditing learning. The participants in this thesis are voluntary. If the participant feels uncomfortable during the interview session, they have the right to withdraw from the study or decline to answer any question. The interview will take approximately 45 minutes. The interviewer will take notes and record audio tape during the interview session.

The researcher will not disclose the name in any reports obtained from this interview, and will maintain confidentiality of the participants. Other subsequent records and data will use the standard policies which protect the anonymity of the participants.

I am inviting you to participate in the study. By signing below, you indicate that you have read and understood the consent form and that you agree to take part in this research study.

Participant's signature

Date

Participant's name

Signature of person obtaining consent

Date

Include these additional sections, if required:

"I agree to the use of anonymous extracts from my interview
in conference papers and academic publications"

YES ☐ NO ☐

"I agree to the audio recording of the interview"

YES ☐ NO ☐

**CONSENT FORM FOR RESEARCH
ETHICS ON HUMAN PARTICIPANTS
(the 2nd Empirical fieldwork)**

**The Development of an Instructional Intervention for Auditing Learning:
Evidence from Thailand**

This thesis is conducted under the Code of Practice for Research Ethics on Human Participants of University of Dundee. The researcher is Ms Chanida Yarana, a Ph.d student in Accountancy and Finance from School of Business, University of Dundee. The study, which is supervised by Dr. Elizabeth A. Monk and Dr. Vicky Lambert, purposes to implement case studies namely “Vignettes to enhance ethical sensitivity of auditing learners” which were developed from the concepts of Reflective, Transformative and Project-based learning theories and were applied to the concept of audit working papers in practice. The hypothesis of this empirical study is that the auditing students will obtain an effective learning which lead them to enhance ethical sensitivity and critical thinking skills.

The researcher will conduct interviews with approximately 75 people who are students in auditing. The results from the observation and interview will contribute to the development of an instructional model for auditing learning. The participants in this thesis are voluntary. If the participant feels uncomfortable during the interview session, they have the right to withdraw from the study or decline to answer any question. The instructional intervention will take approximately 3 weeks. The researcher will take notes and record audio tape during the instructional intervention and interview session.

The researcher will not disclose the name in any reports obtained from this instructional intervention, and will maintain confidentiality of the participants. Other subsequent records and data will use the standard policies which protect the anonymity of the participants.

By signing below, you are indicating that you have read and understood the Participant Information Sheet and that you agree to take part in this research study.

Participant's signature

Date

Participant's name

Signature of person obtaining consent

Date

Name of person obtaining consent

Include these additional sections, if required:

“I agree to the use of anonymous extracts from my interview
in conference papers and academic publications”

YES ☐ NO ☐

“I agree to the audio recording of the interview”

YES ☐ NO ☐

Appendix 2: Lists of Interviewees of the 1st Empirical

Fieldwork

No.	Auditing Lecturers	University	Location
1.	Lecturer 1 (L1)	Thammasat University	Bangkok
2.	Lecturer 2 (L2)	Phranakhon Rajabhat University	Central Thailand
3.	Lecturer 3 (L3)	Chulalongkorn University	Bangkok
4.	Lecturer 4 (L4)	Chulalongkorn University	Bangkok
5.	Lecturer 5 (L5)	Prince Songkla University	Southern Thailand
6.	Lecturer 6 (L6)	Chiangmai University	Northern Thailand
7.	Lecturer 7 (L7)	Rajabhat Chiangmai University	Northern Thailand
8.	Lecturer 8 (L8)	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand
9.	Lecturer 9 (L9)	Nation University	Northern Thailand
10.	Lecturer 10 (L10)	Naresuan University	Northern Thailand
11.	Lecturer 11 (L11)	Naresuan University	Northern Thailand
12.	Lecturer 12 (L12)	University of Payao	Northern Thailand
13.	Lecturer 13 (L13)	Naresuan University	Northern Thailand

No.	Auditing Students	Interview date	University	Location
1.	Student 1 (S1)	07/10/2013	Phranakhon Rajabhat University	Central Thailand
2.	Student 2 (S2)	07/10/2013	Phranakhon Rajabhat University	Central Thailand
3.	Student 3 (S3)	07/10/2013	Phranakhon Rajabhat University	Central Thailand
4.	Student 4 (S4)	07/10/2013	Phranakhon Rajabhat University	Central Thailand
5.	Student 5 (S5)	07/10/2013	Phranakhon Rajabhat University	Central Thailand
6.	Student 6 (S6)	11/10/2013	Chulalongkorn University	Bangkok
7.	Student 7 (S7)	21/10/2013	Prince Songkla University	Southern Thailand
8.	Student 8 (S8)	28/10/2013	Chiangmai University	Northern Thailand
9.	Student 9 (S9)	28/10/2013	Chiangmai University	Northern Thailand
10.	Student 10 (S10)	31/10/2013	Western University	Bangkok
11.	Student 11 (S11)	31/10/2013	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand
12.	Student 12 (S12)	31/10/2013	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand
13.	Student 13 (S13)	31/10/2013	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand
14.	Student 14 (S14)	31/10/2013	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand

No.	Auditing Students	Interview date	University	Location
15.	Student 15 (S15)	31/10/2013	Rajamangala University of Technology Isan Khonkaen Campus	Northeastern Thailand
16.	Student 16 (S16)	13/11/2013	Naresuan University	Northern Thailand
17.	Student 17 (S17)	13/11/2013	Naresuan University	Northern Thailand
18.	Student 18 (S18)	13/11/2013	Naresuan University	Northern Thailand
19.	Student 19 (S19)	14/11/2013	Naresuan University	Northern Thailand
20.	Student 20 (S20)	14/11/2013	Naresuan University	Northern Thailand
21.	Student 21 (S21)	14/11/2013	Naresuan University	Northern Thailand

Appendix 3: Semi-structured Schedule of the 1st Empirical

Fieldwork (for lecturers)

**Department of Accountancy and Business Finance
University of Dundee, Scotland, UK**

A semi - structured questionnaire

For lecturers in auditing and/ or subjects related to auditing and /or subjects related to ethics in accounting profession

The questionnaire consists of 4 parts:

- | | |
|--------|--|
| Part 1 | General background |
| Part 2 | Teaching auditing and/or subjects related to auditing |
| Part 3 | Teaching subjects related to ethics in accounting profession |
| Part 4 | Instructional model to enhance auditing learning |

Date of Interview..... Time.....
University.....
Name.....
Position.....
Age..... Sex of participant.....

Part 1 General Background

1. Do you have a degree? If so, please state your degree.
2. Do you have any qualified certificates related to auditing and/or ethics in accounting profession such as a CPA license or a membership of the Federation of Accounting Professions? (If so, please state)
3. Do you have any working experiences related to auditing and/or ethics in accounting profession before starting your academic career? If so, how long did you work? Can you give me the details of those works?
4. How long have you been a lecturer in auditing and/or ethics in accounting profession?

Part 2 Teaching auditing and/or subjects related to auditing

5. How do you arrange an auditing course? Do you have a course outline or a course syllabus for each subject? (I would be pleased if you can give a course outline or a course syllabus for each subject which you are teaching)

6. *What are the main learning objectives of your auditing course?
7. *Could you explain how you teach auditing module?
8. *In your opinion, which topic in auditing do you feel the most difficult for students to understand? And why? Could you identify the three most important topics in auditing?
9. *What instructional materials do you use in teaching auditing and/or subjects related to auditing? Could you give me the reason why you choose it as instructional materials?
10. *What instructional activities do you use in teaching auditing and/ or subjects related to auditing? Could you give me the reason why you chose it as instructional activities?
11. *Which skills in auditing or subjects related to auditing do you think that should be emphasized or improved? In your opinion, which skills in auditing do you feel the most difficult for students to acquire? And why?
12. What methods do you use at present to teach auditing skills? What would be the ideal instructional methods to enhance these skills?
13. *Other than the time limitations, what other problems, if any, do you encounter in auditing instruction?
14. In your point of view, what could be done to resolve these problems?

Part 3 Teaching subjects related to ethics in accounting profession

15. In your university, are there any subjects related to ethics in accounting profession? If so, how do you arrange the course?

☐ Ethical topics are integrated in each accounting subject

☐ Stand-alone course

Course name.....

Could you give the reason why you arrange the course as mentioned above?

(I would be pleased if you can give a course outline or a course syllabus for each subject which you are teaching)

16. What are the main learning objectives of subjects related to ethics in accounting profession?

17. * Which topic of subjects related to ethics in accounting profession do you feel the most difficult for students to study and you think it should be emphasized or improved?
18. * Could you explain how to teach ethics? What are instructional activities do you provide for students in the classroom at present? Could you give me the reason why you provide this instructional environment?
19. What would be the ideal instructional methods to enhance students' ethics?
20. What other problems do you encounter in teaching ethics in accounting and how to solve the problems?

Part 4 Instructional model to enhance auditing learning

21. * Would the development of a curriculum model to aid learning and teaching critical thinking, reflective thinking, problem solving, decision making, professional skepticism and ethics for auditing students be useful? If so, what elements would you like to see such a model address?
22. *Do you think it is important to cultivate students the life-long learning concept? If so, what are currently methods do you use to cultivate the life-long learning concept?
23. *Do you include activities that allow students real-life experience of audit? If so, what are those activities and how do you teach them?
24. Do you apply any learning theories for your teaching? If so, what are they and why you apply these learning theories in practice?
25. Is there anything else you would like to add or anything you think I have missed?

*Important information, please answer the question

Appendix 4: Semi-structured Schedule of the 1st Empirical

Fieldwork (for students)

Department of Accountancy and Business Finance University of Dundee, Scotland, UK

A semi - structured questionnaire

For students in auditing and/ or subjects related to auditing and /or subjects related to ethics in accounting profession

The questionnaire consists of 4 parts:

- Part 1 General background
- Part 2 Studying auditing and/or subjects related to auditing
- Part 3 Studying subjects related to ethics in accounting profession
- Part 4 Instructional model to enhance auditing learning

Date of Interview..... Time.....
University.....
Name.....
Position.....
Age..... Sex of participant.....

Part 1 General Background

1. What programme you are studying?
2. Will you intend to enter to the audit profession in the future? Why (or why not)?
3. Do you have any experiences in studying auditing and/or ethics in accounting profession? If so, can you tell me about your experiences?
4. What are your attitudes toward auditing and/or ethics in accounting profession?

Part 2 Studying auditing and/or subjects related to auditing

5. Are there any subjects related to auditing you have studied or intend to study? If so, how many subjects? Why do you choose to study these subjects?
6. *Can you tell me about your expectation in auditing learning?
7. *What do you think are objectives of auditing course and / or subjects related to auditing?
Cognitive objectives.....
Behavioural objectives.....

8. *Can you explain how you study auditing at present? What are materials and activities you are using in this module?
9. Could you explain the atmosphere or environment while you are studying in auditing classroom? How do you feel when you are studying?
10. *In your opinion, which topics in auditing do you feel the most difficult to study? And why?
11. *In your opinion, which skills in auditing do you feel the most difficult to acquire? And why?
12. *Regardless of the time limitation, what other problems do you encounter in studying auditing and /or subjects related to auditing?
13. In your point of view, what would be the ideal instructional methods to enhance students' critical thinking, decision making, professional scepticism and ethics?

Part 3 Studying subjects related to ethics in accounting profession

14. Are there any subjects related to ethics in accounting profession you have studied or have to study? If so, how does the university arrange the course?

☐ Ethical topics are integrated in each accounting subject
☐ Stand-alone course
 Course name.....
 How many weeks and total hours per a course?
15. *Can you tell me about your expectation in subjects related to ethics in accounting profession?
16. *What do you think are objectives of subjects related to ethics in accounting profession?
17. *Can you explain how you study subjects related to ethics in accounting profession at present? What are materials and activities you are using in this module?
18. *Could you explain the atmosphere or environment while you are studying ethics? How do you feel when you are studying?
19. *Which topic of subjects related to ethics in accounting profession do you feel the most difficult to study and you think it should be emphasized or improved?
20. *What would be the ideal instructional methods to enhance students' ethics in accounting profession?

21. *What other problems do you encounter in studying subjects related to ethics in accounting?
22. In your point of view, what would be the ideal instructional methods to enhance students' professional ethics?

Part 4 Instructional model to enhance auditing learning

23. * Would the development of a curriculum model to aid learning and teaching critical thinking, reflective thinking, problem solving, decision making, professional scepticism and ethics for auditing students be useful? If so, what elements would you like to see such a model address?
24. *Do you think life-long learning is important? If so, what are currently methods do you use for the life-long learning?
25. *Does your ethics classroom have activities that allow students real-life experience? If so, what are those activities and how do you study them?
26. Is there anything else you would like to add or anything you think I have missed?

*Important information, please answer the questions

Appendix 5: Reflective Case Studies to Enhance the Ethical Sensitivity of Auditing Learners

Instructional Intervention

Vignettes to enhance ethical sensitivity of auditing learners

Name:.....

Student ID:.....

Year:.....

University:.....

General Information

You are welcome to participate in the study of research namely “The Development of an Instructional Intervention for Auditing Learning: Evidence from Thailand”. The purpose of the study is to enhance ethical sensitivity and critical thinking skills of auditing students.

Please note that you are a voluntary participant. Thus, you may stop at any time if you feel uncomfortable to give the answer of any questions. All of the information provided will be kept confidential and will be used only in this study. If you have any questions, please feel free to contact your lecturer.

Instructions

There are three vignettes which present ethical challenges for auditing learners. Before using the cases, you will be asked to complete an open-ended questionnaire. Then, the lecturer will revise concepts of auditing procedures including audit working papers, fundamental principles of ethics in accounting professions, threats which do not comply with the code of ethics and will provide a concept of reflective writing.

You are given an opportunity to form three groups. Each group will be assigned only one case. After the lecturer explains an outline of the case, you must reflect your thoughts and prepare an individual working paper. You are encouraged to pursue the

vignette as a project which means that you have to manage your own time, plan and process of study.

In the tutorial hour of the first week of vignettes implementation, you do not need to attend the class. You are allowed to work in the library or in the classroom. Meanwhile, the lecturer will act as a facilitator who supervises you if you have questions.

In the second week of cases' implementation, you are required to work in your group. You have to communicate to the group members and describe your own audit working paper. After that, there will be a discussion among the group members. Each group is required to prepare a 30-minute presentation. The group must act as an audit team who provide important information and suggestions to the client. You are allowed to use PowerPoint presentation or other visualisations which you prefer.

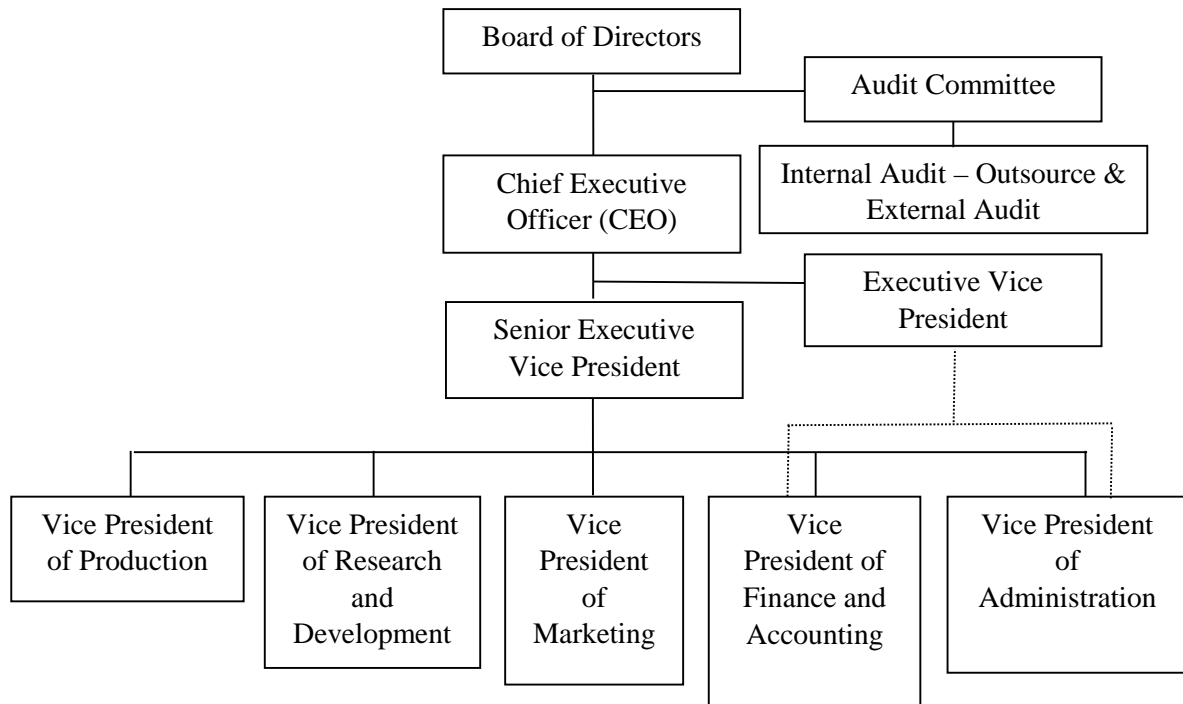
The last week of cases' implementation will be a 30-minute presentation of each group. Other students are allowed to ask question and give comments on the presentation. Within each group, you will share your own experience of creating your own audit working papers to other group members. Also, you need to explain what new knowledge or skills they acquire after using the vignette. At this stage, the lecturers will observe your behaviour and give scores for group discussion. After the presentation, you also will be asked to conduct in-depth interview in a group (focus group method).

The vignettes will be worth 20 percent of the total course assessment. The instructor grades from the quality of the presentation in the classroom and individual audit working papers. The marking scores comprise the performances of individual audit working papers, group presentation and group discussion. If you have any questions, please feel free to contact your lecturer.

Vignette 1 Asset Misappropriation

You are engaged as a statutory external auditor for ACCNU Public Limited Company ("ACCNU plc."). Your major responsibility is to audit the accounts and accompanying financial statements of ACCNU plc., which comprise the statement of financial position as of 31st December 20X0 and 20X1; the statement of income; the statement of changes in equity; and a summary of significant accounting policies as well as other explanatory information for the year ending 20X0 and 20X1.

ACCNU plc. is engaged in the manufacturing and distribution of flexible packaging. Its products consist of consumer packaging and Polyethylene Terephthalate bottles for drinking water and vegetable oil. Mr. Derek Sawasdee is the new CEO of the company. His former position was as Senior Executive Vice President of the company. He has been promoted to undertake this position since November 20X0. The diagram below illustrates a current organisation chart of the company.



ACCNU plc. has an audit committee which consists of six members delegated from the Board of Directors. The responsibilities of the audit committee focus on monitoring financial reports and risk assessment of the company and facilitating the auditors to carry out their audit work. Typically, the audit committee selects the audit firms, advises and provides guidance to auditors, reviews auditors' reports and communicates the result of the audit performance each year to the Board of Directors.

However, during your interim auditing, your assistant auditors reported some issues where they suspect financial misstatement as follows:

During the year 20X1, Mr. Sawasdee used his authorisation to conduct asset misappropriation. He intended to conceal and falsify the information with regard to the company's securities trading and insider trading within the year 20X1 to the audit team. He counterfeited the document related to the short-term capital investment amount of 180

million Baht and informed the company's accountants to record this transaction as a current asset of the company. In fact, he traded the short-term capital investment by using his own and his wife's accounts. When the stocks were redeemed and the dividend was paid, Mr. Sawasdee transferred the cash amount of 201 million Baht to his bank account instead of the company's account. The audit team discovered this fraudulence later from the confirmation of the company who issued the capital investment. Also, the assistant auditors found that there were 80 transactions over a period of 6 months (from November 20X0 – April 20X1) which Mr. Sawasdee neglected to report to the Board of Directors and the public although the regulation of the Securities and Exchange Commission (SEC) mentions that every 5% of the changes in securities holding must be reported.

After the amount of 201 million Baht fraudulent cash was found in April 20X1, the audit team reported the issue to the Board of Directors and the Audit Committee. Mr. Sawasdee has been indicted for both civil and criminal liabilities since then. The lawsuits are still at the stage of being arraigned although Mr. Sawasdee completely disbursed the money amount of 201 million Baht to the company as of 20 September 20X1. At the moment (December 20X1) the company is attempting to have his legal charges withdrawn.

Personally, you have known Derek Sawasdee since you were an undergraduate student in the university. Derek has an educational background in Accounting and Finance. He was your senior and used to help you study and support you financially. Normally, you have always found him to be very friendly and generous. When you discover that Derek has perpetrated asset misappropriation and short-term investment, you consider that you might trace out only the documents that Derek gives to you and choose those documents by audit sampling procedure. You intend to ignore the investigation of the existence of the investment transactions. The reason is that you believe Derek and depend on his promise that he will attempt to sell all the stocks and return the money to the company by the end of this year. You believe that all difficulties can be mitigated within the year. Therefore, you are considering not to record the allowance for doubtful accounts on the amount which Derek disrupted.

On 10th December 20X1, Derek came to you and asked you to sign the unqualified auditor's report. He mentioned your close relationship and indebtedness as he used to support you financially in the past. You are worrying about this issue because you do not

want the audit team to know about this secret. Also, you feel it is very awkward to refuse Derek's request.

Nevertheless, your audit firm has a Board of Auditors comprising of four auditors who work together in order to control the audit quality of the firm. Apart from you as a statutory auditor of ACCNU plc., the other three auditors in the Board of Auditors work outside ACCNU plc.'s engagement. Mr. Vichai Jaidee is an ethics partner who plays a vital role in controlling the quality of audit engagement and the compliance with the codes of ethics of the accounting profession. Before you sign the auditor's report, a meeting of the Board of Auditors was arranged. In the meeting, apart from the issues which are mentioned above, Mr. Jaidee, the ethics partner also raised these topics to discuss;

1. He has concerns about your integrity and independence because you have a close relationship with Mr. Sawasdee. He asked you to make it clear that you are independent from Mr. Sawasdee's influence.
2. Mr. Jaidee questions your audit performance. From his point of view, the way that you considered to trace out only the documents from Mr. Sawasdee and your ignorance to investigate of the existence of the investment transactions were not accurate. He asks you about other audit procedures to ensure that this transaction is avoided from material misstatement. Also, he asks about what kind of enquiries should be made to determine that Mr. Sawasdee is a person of integrity.
3. Mr. Jaidee considers your first draft of unqualified auditor's report and asks you to revise it. The reason is that he is still concerned about the reputation of the audit firm. He asks you to rethink about the later impacts when professional people whistleblow if they found that your behaviour tends to be a moral hazard and unprofessional.

Assignment

Assuming that you are auditing ACCNU plc., you are required to create an analytical audit working paper on ethics and moral consideration. You can apply the principles of Thai Auditing Standard and Code of ethics for Thai Professional Accountants as frameworks for your audit working paper.

Guideline and reflective questions

From vignette 1, you are required to consider, identify and reflect on these issues;

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?
2. What are the impacts of ethical issues on the auditors, clients, public and society? Can you assess and identify the significant threats?
3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Vignette 2 Accounting Fraud

You are a director of the Account Pro audit firm. This year (20X1) is the second year of your audit engagement with the Food and Beverage Public Limited Company (“Food & Beverage plc.”). You are head of the audit team and are conducting the interim visit during the year.

The company produces food and beverages and was the top seller in the year 20X1. In 15th November 20X1, you reviewed the assistant auditors’ working paper. You found that the assistant auditors could not conclude and prepare for the draft of the auditor’s report because there were some issues requiring more investigation. They are waiting for your consideration on the following issues;

1. The company has land, which the management team purchased and planned to build a new plant on, and had book value of 946 million Baht in the year 20X1. However, there was evidence from Asset Enterprise Co.,Ltd, an independent asset appraisal company with more than 20-years’ experience. Also, Asset Enterprise Co.,Ltd. has been approved by the Securities and Exchange Commission. It is revealed that the appraisal value of the land should be 671 million Baht. The assistant auditors asked you whether the company should recognise the loss on revaluation of assets of the amount of 275 million Baht and present this transaction in the statement of income or not. However, the assistant auditors had suggested that the company’s director should adjust this transaction, but he did not agree and claimed that the company needs to present high profits this year in order to persuade Foodland Public Limited Company to take over the company.

2. The assistant auditors have vouched for and audited the sales accounts. They still doubt the existence of an account of the receivable amount of 150 million Baht of an Australian company, Sunny Co., Ltd. During the year, assistant auditors have sent confirmation letters for the account twice, but there is still no response from Sunny Co., Ltd. However, the CEO of Food & Beverage plc. claimed that this transaction occurred in September 20X1. Also, there were invoices issued by the Food & Beverage plc. which represented the real transactions. In addition, the management of Food & Beverage plc. has given all documents to the audit team. However, the assistant auditors and the audit team still wondered what other audit procedures should be conducted to ensure the accuracy and existence of these invoices. Moreover, the assistant auditors asked you to determine the most appropriate audit procedures, for example, verifying the existence of the registration of Sunny Co.,Ltd, or verifying movements in stock records or vouching that the shipping documents existed in respect of movements of goods to Australia. The assistant auditors asked you to clarify these points because they have less experience than you.
3. During the year 20X1, Food & Beverage plc. has a debtor which is facing insolvency. Its account receivable of the amount of 180 million Baht is possibly bad debt. However, the CEO claimed that the company has the invoice as an audit document. Also, Food & Beverage plc. relies on this client because they have been trading for a long time. In the past, the client never defaulted on payments. So, the company should give an opportunity to the client. In the year 20X1, Food & Beverage plc. has preserved the allowance for doubtful account receivable amount of 920 million Baht. The assistant auditors asked for your comments on what steps the auditor should take to prove collectability. For instance, how old is the debt; is there any evidence that the company has been increasingly late in paying the balance due; has the company been paying in the past in instalments. In addition, the audit team still questioned why the company rely on this debtor. To this end, you need to give some explanations to the audit team.

Apart from the above issues, in 20X1, Food & Beverage plc. has profits of 175 million Baht. However, if the company adjusts all anomalous transactions, there will be a loss of 430 million Baht instead. At this stage, the audit team seriously wondered that the management team of the company intend to create the accounts. They might conceal

the fact that the company is dealing with a problem of ongoing concern. If it turns out that Sunny Co.Ltd does not exist, the company has severe problems of liquidity and the management team of the company refuse to adjust the significant transactions. These might directly affect material misstatement of the financial information. Moreover, there is another factor that the management of Food & Beverage plc. tends to promote their company to be taken over by Foodland Public Limited Company as soon as possible.

One of the assistant auditors also confesses that he brought manuscripts and copies of beverage recipes to Account Pro audit firm without telling the CEO of Food & Beverage plc. He claimed that he wanted to learn the documentation system and calculate the costs of the beverage production. He just borrowed the documents and will return them to the company as soon as possible. However, there are many clients who come to Account Pro audit firm including a chief accountant of Soft Drink Public Company Limited which is the Food & Beverage plc.'s competitor.

Before you sign in the auditor's report of Food & Beverage plc. this year, there was a meeting of partners and staff in Account Pro audit firm. The meeting focused on the consideration of audit quality of Account Pro Audit firm. Apart from those issues which mentioned before, Mr. Vichai Jaidee, one of partners who acted as an ethics partner commented and requested for your elaborate explanation as follows:

1. Mr. Jaidee asked you how the auditor should prove that Food & Beverage plc. is a going concern company. He needed you to provide more details on the reliable audit procedures to manage this issue.
2. In the case of Food & Beverage plc., there might be some issues which affects professional competence and due care of professional auditors. Thus, Mr. Jaidee asked you whether the audit firm had strong enough procedures in place to vet the company and its management before accepting the engagement in the previous year. For example, is it possible that the audit firm check previous information of collectability of the company, the information from banker's commercial credit and so on. He wants you to express your opinion on these points.
3. If the audit firm can find existing evidence confirming all the misstatements, Mr. Jaidee asked whether the issues raised by the audit team are the only problems of the company. Who might be affected by the issues and how will the issues impact on them?

4. The case that the assistant auditors brought the manuscripts and copies of beverage recipes to the office of the audit firm without telling the client company may be very important. Mr. Jaidee asked how the company designs control systems to avoid this and how the audit firm train the assistant auditors to recognize that such documents are confidential. Mr. Jaidee is also concerned that if other clients get to know of the assistant auditor's behaviour, they may lose their reputation.

Assignment

Assuming that you are auditing Food and Beverage Public Limited Company, you are required to create an analytical audit working paper on ethics and moral consideration. You can apply the principles of Thai Auditing Standard and Code of ethics for Thai Professional Accountants as frameworks for your audit working paper.

Guideline and reflective questions

From vignette 2, you are required to consider, identify and reflect on these issues;

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?
2. What are the impacts of ethical issues on the auditors, clients, public and society?
Can you assess and identify the significant threats?
3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Vignette 3 Bribery and corruption

You are one of the management team in the Account Pro audit firm which is expanding and developing. At present, there are many competitive audit firms in the business world. You are considering marketing strategies that empower the firm to be a leader of the industry. In the end, you decided to promote your audit firm to accounting firms.

In the year 20X1, you are engaged with the auditing of Asia Accounting Company. The company is not a listed company. But, it is incorporated and registered

under the control of the Ministry of Commerce in Thailand. The principal businesses of the company are preparing accounting information, submitting taxation, consulting in accounting systems and selling software packages in accounting. The Asia Accounting Company is a big company. It has more than 300 clients and is a famous company in Thailand.

In November 20X1, you were performing an audit at the company and found that apart from the main activities which are mentioned above, the company gained 10 million Baht from the real estate business. However, the company did not recognise this transaction in the statement of income and did not pay the special business tax. When you asked Mr. Dhamrong Danai, the Director of the company, he gave you an answer that although this significantly contradicts Thai Accounting Standards and the regulation of the Revenue Department of Thailand, this transaction did not involve the main objective of the company. In addition, the revenue from the real estate business was generated only in this one year. Mr. Danai claimed that it does not matter if the company does not inform the Revenue Department's officers because the tax collection system in Thailand stipulates that each company has to declare its self-assessed income. Moreover, he seems to be confident because he has close relationships with the officers of the Revenue Department and during the year 20X1, he often gives presents to the officers. Therefore, he insisted that the company's accountants neither record gain on the real estate business in the account nor submit the specific business tax.

Mr. Danai came to you and offered you some proposals. He said that if you do not detect the revenue of real estate business of the year 20X1, he will pay 100,000 Baht to you individually. Also, he will transfer some of the audit jobs for which he employed other auditing firms to the Account Pro audit firm. Moreover, he offered to increase the audit fee from two million Baht to 10% of the total revenue of the year ended 20X1. This year, the company has total revenue amount of 100 million Baht. Thus, it means that the total amount of the audit fee might be up to 10 million Baht. However, the Account Pro audit firm has set a policy that the auditors should estimate the audit fee from the complexity and complication of the accounting system and documents. In case of the Asia Accounting Company, you are quite interested in Mr. Danai's proposal. You think that if Account Pro audit firm accept his conditions, there will be increasing amount of benefit and revenue in the audit firm.

After the meeting with Mr. Danai, you plan to use marketing strategy. You will advertise to Mr. Danai and Asia Accounting Company that your audit office has many experts in auditing. In addition, the auditors in your office are able to conduct their profession in all kinds of businesses around Thailand. Furthermore, you will offer lower audit fees compared to other audit firms in order to get a majority of the market share.

You want to go abroad for six months from December 20X1 to May 20X2 to visit your relatives and for your vacation. However, as a director of Account Pro audit firm, you have claimed that you will go for a field trip and work. Therefore, you will reimburse all the budget you have paid for this trip. Also, you have claimed that it will benefit the audit firm in general. During your vacation, you plan to assign Mr. Sarut Niti, another auditor in Account Pro audit firm to audit Asia Accounting Company Limited. You refuse to tell the management of Asia Accounting Company because you think that Mr. Niti will be able to work on behalf of you and the Account Pro audit firm. So, it will be no serious problem.

At the beginning of December 20X1 before you go abroad, there was a formal meeting among all partners and staff of Account Pro audit firm. The above issues involving the audit engagement of Asia Accounting Company Limited are revised. In particular, Mr. Niti, an auditor who you assigned to work on your behalf, discussed some important points and required you to explain them in detail in order to increase the credibility of audit quality and audit performance which comply to the codes of ethics in auditing profession. His arguments are as follows:

1. Mr. Niti questioned the process of the acceptance of audit work. As you know that Mr. Danai, the company's director, has a history of bribery and his claims seems to be risky for the accuracy of the company's financial statements. Therefore, Mr. Niti asked you to explain what procedures you use as a consideration to accept the audit engagement of Asia Accounting Company Limited. Also, if you wish to continue this audit engagement, what safeguards will you use to protect yourself from an accusation against your integrity and objectivity.
2. Mr. Niti does not understand why Mr. Danai was willing to increase the audit fee from 2 million Baht to 10 million Baht. He still wonders whether Mr. Danai has much more to hide than the real estate income amount of 10 million Baht or not. In this case, Mr.

Niti wants you to explain what appropriate audit procedures should be performed to ensure the integrity of the client company's director.

3. According to Mr. Danai's proposal, Mr. Niti understood that Account Pro wants to expand the firm and needs higher profits. However, offering an audit fee expressed as a percentage of revenue would contradict the codes of ethics of the auditing profession. Therefore, Mr. Niti asked you what procedures should be used to ensure that all partners and staff of the Account Pro audit firm behave with integrity. He wants to know what safeguards should be used to protect the auditors from accusations of self-interest.
4. Mr. Niti suggested you tell Mr. Danai that you would be willing to issue a qualified opinion if the company refuses to disclose the disputed amounts (the bribe and percentage audit fee). The reason is that if you accept Mr. Danai's proposals, it means that you conduct the audit engagement without independence. In this case, he wants you to do this to avoid threats to your independence.
5. Mr. Niti asked you to rethink about going abroad. He did not agree that you leave the audit engagement without telling the client. It is not because he did not want to help you, but he wants you to concentrate on your duty as a statutory auditor rather than as a manager of Account Pro audit firm. He was quite concerned about the audit quality and the reputation of the audit firm. Finally, he asked what would be the actions in response to this issue.

Assignment

Assuming that you are auditing Asia Accounting Company Limited, you are required to create an analytical audit working paper on ethics and moral consideration. You can apply the principles of Thai Auditing Standard and Code of ethics for Thai Professional Accountants as frameworks for your audit working paper.

Guideline and reflective questions

From vignette 3, you are required to consider, identify and reflect on these issues;

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?

2. What are the impacts of ethical issues on the auditors, clients, public and society? Can you assess and identify the significant threats?
3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Appendix 6: Guidance for the Instructional Intervention

Teaching Note

Vignettes to enhance the ethical sensitivity of auditing learners

1. Introduction

This teaching note is a guidance for lecturers and students in the auditing classroom in Thailand. The motivation to develop case studies is that with regard to the literature review and my first empirical study investigated current practice and problems of audit instruction in Thailand, there is a requirement of auditing lecturers and students to develop powerful case studies in Thai context. Particularly, ethics teaching in auditing is required to improve. Even though ethical instruction is crucial in accounting and auditing professions (Graham, 2012) and academics believe that nurturing the ethical and moral sensitivities of students should be employed in the universities in order to prepare the students for real practice (Colby and Sullivan, 2008), at present ethics has been taught in auditing classrooms in Thailand by using lecture-based methods. This learning strategy seems to be ineffective and superficial. In addition, Thai audit lecturers tend to emphasise technical auditing procedure rather than ethics and moral sensitivities. This causes the problem of application when the students enter into auditing professions and confront ethical dilemmas in real practice.

To this end, “Vignettes to enhance the ethical sensitivity of auditing learners” comprising short descriptions of auditing situations, are developed to elicit the ethical sensitivities of auditing students in the classroom. The conceptual framework of the case studies is derived from the Codes of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA, 2012). and the Code of ethics for Thai Professional Accountants (FAP, 2012). In addition, educational theories such as Reflective, Transformative and Project-based learning theories are applied. In particular, the concept of reflective writing is utilised in the preparation of audit working papers of the students in practice. Moreover, the cases are based on real-life situations in Thai circumstances obtained from multiple sources such as the news, Internet websites, informal interviews and court judgements. Fictitious vignettes are created in order to challenge students to gain deeper understanding about ethics in auditing profession in

practice. The hypothesis of this empirical study is that the auditing students will obtain effective learning which lead them to enhance ethical sensitivity and critical thinking skills.

2. Learning Objectives

The three vignettes have four main learning objectives:

- 2.1 to provide an opportunity for students to identify threats which do not comply with the fundamental principles of Codes of ethics for Thai Professional Accountants
- 2.2 to provide an opportunity for students to assess and identify significant threats
- 2.3 to provide students with practice in applying safeguards which are necessary to reduce the threats or mitigate them to an acceptable level
- 2.4 to provide students with practice in performing as audit practitioners to reflect the ethical reason on specific circumstances by using their critical descriptions in audit documentation which supports the professional judgment.

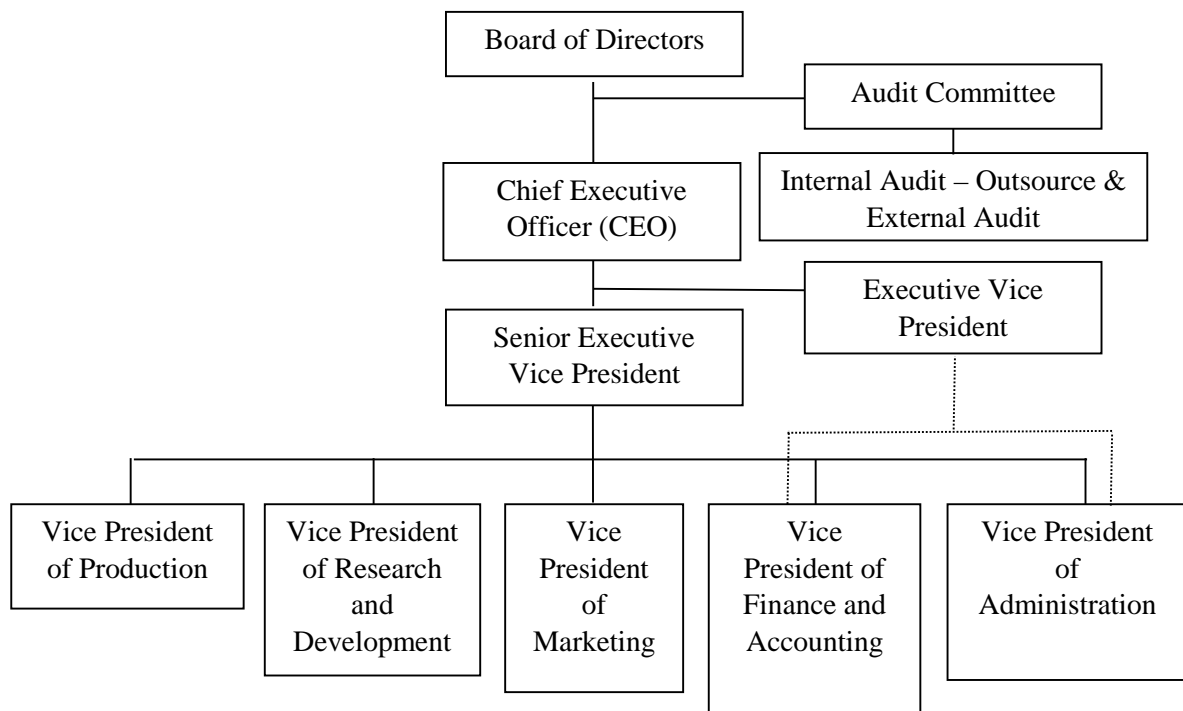
3. The instructional resource cases: vignettes

The vignettes are based on real ethical and moral dilemmas from multiple resources. The idea of vignette 1 is drawn from two public limited companies in Thailand and the news from internet websites. Vignette 2 is derived from the real cases of The Supreme Court of Thailand and The Securities and Exchange Commission (Bagley and Harp), whereas the last vignette is gleaned from the real case of the Department of Special investigation, academic papers, whistle blowers and informal interviews of accounting practitioners in Thailand. In order to make the vignettes appropriate, the author changed the companies' names and the amount of accounting information.

Vignette 1 Asset Misappropriation

You are engaged as a statutory external auditor for ACCNU Public Limited Company ("ACCNU plc."). Your major responsibility is to audit the accounts and accompanying financial statements of ACCNU plc., which comprise the statement of financial position as of 31st December 20X0 and 20X1; the statement of income; the statement of changes in equity; and a summary of significant accounting policies as well as other explanatory information for the year ending 20X0 and 20X1.

ACCNU plc. is engaged in the manufacturing and distribution of flexible packaging. Its products consist of consumer packaging and Polyethylene Terephthalate bottles for drinking water and vegetable oil. Mr. Derek Sawasdee is the new CEO of the company. His former position was as Senior Executive Vice President of the company. He has been promoted to undertake this position since November 20X0. The diagram below illustrates a current organisation chart of the company.



ACCNU plc. has an audit committee which consists of six members delegated from the Board of Directors. The responsibilities of the audit committee focus on monitoring financial reports and risk assessment of the company and facilitating the auditors to carry out their audit work. Typically, the audit committee selects the audit firms, advises and provides guidance to auditors, reviews auditors' reports and communicates the result of the audit performance each year to the Board of Directors.

However, during your interim auditing, your assistant auditors reported some issues where they suspect financial misstatement as follows:

During the year 20X1, Mr. Sawasdee used his authorisation to conduct asset misappropriation. He intended to conceal and falsify the information with regard to the company's securities trading and insider trading within the year 20X1 to the audit team. He counterfeited the document related to the short-term capital investment amount of 180

million Baht and informed the company's accountants to record this transaction as a current asset of the company. In fact, he traded the short-term capital investment by using his own and his wife's accounts. When the stocks were redeemed and the dividend was paid, Mr. Sawasdee transferred the cash amount of 201 million Baht to his bank account instead of the company's account. The audit team discovered this fraudulence later from the confirmation of the company who issued the capital investment. Also, the assistant auditors found that there were 80 transactions over a period of 6 months (from November 20X0 – April 20X1) which Mr. Sawasdee neglected to report to the Board of Directors and the public although the regulation of the Securities and Exchange Commission (SEC) mentions that every 5% of the changes in securities holding must be reported.

After the amount of 201 million Baht fraudulent cash was found in April 20X1, the audit team reported the issue to the Board of Directors and the Audit Committee. Mr. Sawasdee has been indicted for both civil and criminal liabilities since then. The lawsuits are still at the stage of being arraigned although Mr. Sawasdee completely disbursed the money amount of 201 million Baht to the company as of 20 September 20X1. At the moment (December 20X1) the company is attempting to have his legal charges withdrawn.

Personally, you have known Derek Sawasdee since you were an undergraduate student in the university. Derek has an educational background in Accounting and Finance. He was your senior and used to help you study and support you financially. Normally, you have always found him to be very friendly and generous. When you discover that Derek has perpetrated asset misappropriation and short-term investment, you consider that you might trace out only the documents that Derek gives to you and choose those documents by audit sampling procedure. You intend to ignore the investigation of the existence of the investment transactions. The reason is that you believe Derek and depend on his promise that he will attempt to sell all the stocks and return the money to the company by the end of this year. You believe that all difficulties can be mitigated within the year. Therefore, you are considering not to record the allowance for doubtful accounts on the amount which Derek disrupted.

On 10th December 20X1, Derek came to you and asked you to sign the unqualified auditor's report. He mentioned your close relationship and indebtedness as he used to support you financially in the past. You are worrying about this issue because you do not

want the audit team to know about this secret. Also, you feel it is very awkward to refuse Derek's request.

Nevertheless, your audit firm has a Board of Auditors comprising of four auditors who work together in order to control the audit quality of the firm. Apart from you as a statutory auditor of ACCNU plc., the other three auditors in the Board of Auditors work outside ACCNU plc.'s engagement. Mr. Vichai Jaidee is an ethics partner who plays a vital role in controlling the quality of audit engagement and the compliance with the codes of ethics of the accounting profession. Before you sign the auditor's report, a meeting of the Board of Auditors was arranged. In the meeting, apart from the issues which are mentioned above, Mr. Jaidee, the ethics partner also raised these topics to discuss:

1. He has concerns about your integrity and independence because you have a close relationship with Mr. Sawasdee. He asked you to make it clear that you are independent from Mr. Sawasdee's influence.
2. Mr. Jaidee questions your audit performance. From his point of view, the way that you considered to trace out only the documents from Mr. Sawasdee and your ignorance to investigate of the existence of the investment transactions were not accurate. He asks you about other audit procedures to ensure that this transaction is avoided from material misstatement. Also, he asks about what kind of enquiries should be made to determine that Mr. Sawasdee is a person of integrity.
3. Mr. Jaidee considers your first draft of unqualified auditor's report and asks you to revise it. The reason is that he is still concerned about the reputation of the audit firm. He asks you to rethink about the later impacts when professional people whistleblow if they found that your behaviour tends to be a moral hazard and unprofessional.

Vignette 2 Accounting Fraud

You are a director of the Account Pro audit firm. This year (20X1) is the second year of your audit engagement with the Food and Beverage Public Limited Company ("Food & Beverage plc."). You are head of the audit team and are conducting the interim visit during the year.

The company produces food and beverages and was the top seller in the year 20X1. In 15th November 20X1, you reviewed the assistant auditors' working paper. You found that the assistant auditors could not conclude and prepare for the draft of the

auditor's report because there were some issues requiring more investigation. They are waiting for your consideration on the following issues;

1. The company has land, which the management team purchased and planned to build a new plant on, and had book value of 946 million Baht in the year 20X1. However, there was evidence from Asset Enterprise Co.,Ltd, an independent asset appraisal company with more than 20-years' experience. Also, Asset Enterprise Co.,Ltd. has been approved by the Securities and Exchange Commission. It is revealed that the appraisal value of the land should be 671 million Baht. The assistant auditors asked you whether the company should recognise the loss on revaluation of assets of the amount of 275 million Baht and present this transaction in the statement of income or not. However, the assistant auditors had suggested that the company's director should adjust this transaction, but he did not agree and claimed that the company needs to present high profits this year in order to persuade Foodland Public Limited Company to take over the company.
2. The assistant auditors have vouched for and audited the sales accounts. They still doubt the existence of an account of the receivable amount of 150 million Baht of an Australian company, Sunny Co., Ltd. During the year, assistant auditors have sent confirmation letters for the account twice, but there is still no response from Sunny Co., Ltd. However, the CEO of Food & Beverage plc. claimed that this transaction occurred in September 20X1. Also, there were invoices issued by the Food & Beverage plc. which represented the real transactions. In addition, the management of Food & Beverage plc. has given all documents to the audit team. However, the assistant auditors and the audit team still wondered what other audit procedures should be conducted to ensure the accuracy and existence of these invoices. Moreover, the assistant auditors asked you to determine the most appropriate audit procedures, for example, verifying the existence of the registration of Sunny Co.,Ltd, or verifying movements in stock records or vouching that the shipping documents existed in respect of movements of goods to Australia. The assistant auditors asked you to clarify these points because they have less experience than you.
3. During the year 20X1, Food & Beverage plc. has a debtor which is facing insolvency. Its account receivable of the amount of 180 million Baht is possibly bad debt. However, the CEO claimed that the company has the invoice as an audit document.

Also, Food & Beverage plc. relies on this client because they have been trading for a long time. In the past, the client never defaulted on payments. So, the company should give an opportunity to the client. In the year 20X1, Food & Beverage plc. has preserved the allowance for doubtful account receivable amount of 920 million Baht. The assistant auditors asked for your comments on what steps the auditor should take to prove collectability. For instance, how old is the debt; is there any evidence that the company has been increasingly late in paying the balance due; has the company been paying in the past in instalments. In addition, the audit team still questioned why the company rely on this debtor. To this end, you need to give some explanations to the audit team.

Apart from the above issues, in 20X1, Food & Beverage plc. has profits of 175 million Baht. However, if the company adjusts all anomalous transactions, there will be a loss of 430 million Baht instead. At this stage, the audit team seriously wondered that the management team of the company intend to create the accounts. They might conceal the fact that the company is dealing with a problem of ongoing concern. If it turns out that Sunny Co.Ltd does not exist, the company has severe problems of liquidity and the management team of the company refuse to adjust the significant transactions. These might directly affect material misstatement of the financial information. Moreover, there is another factor that the management of Food & Beverage plc. tends to promote their company to be taken over by Foodland Public Limited Company as soon as possible.

One of the assistant auditors also confesses that he brought manuscripts and copies of beverage recipes to Account Pro audit firm without telling the CEO of Food & Beverage plc. He claimed that he wanted to learn the documentation system and calculate the costs of the beverage production. He just borrowed the documents and will return them to the company as soon as possible. However, there are many clients who come to Account Pro audit firm including a chief accountant of Soft Drink Public Company Limited which is the Food & Beverage plc.'s competitor.

Before you sign in the auditor's report of Food & Beverage plc. this year, there was a meeting of partners and staff in Account Pro audit firm. The meeting focused on the consideration of audit quality of Account Pro Audit firm. Apart from those issues which mentioned before, Mr. Vichai Jaidee, one of partners who acted as an ethics partner commented and requested for your elaborate explanation as follows:

1. Mr. Jaidee asked you how the auditor should prove that Food & Beverage plc. is a going concern company. He needed you to provide more details on the reliable audit procedures to manage this issue.
2. In the case of Food & Beverage plc., there might be some issues which affects professional competence and due care of professional auditors. Thus, Mr. Jaidee asked you whether the audit firm had strong enough procedures in place to vet the company and its management before accepting the engagement in the previous year. For example, is it possible that the audit firm check previous information of collectability of the company, the information from banker's commercial credit and so on. He wants you to express your opinion on these points.
3. If the audit firm can find existing evidence confirming all the misstatements, Mr. Jaidee asked whether the issues raised by the audit team are the only problems of the company. Who might be affected by the issues and how will the issues impact on them?
4. The case that the assistant auditors brought the manuscripts and copies of beverage recipes to the office of the audit firm without telling the client company may be very important. Mr. Jaidee asked how the company designs control systems to avoid this and how the audit firm train the assistant auditors to recognize that such documents are confidential. Mr. Jaidee is also concerned that if other clients get to know of the assistant auditor's behaviour, they may lose their reputation.

Vignette 3 Bribery and corruption

You are one of the management team in the Account Pro audit firm which is expanding and developing. At present, there are many competitive audit firms in the business world. You are considering marketing strategies that empower the firm to be a leader of the industry. In the end, you decided to promote your audit firm to accounting firms.

In the year 20X1, you are engaged with the auditing of Asia Accounting Company. The company is not a listed company. But, it is incorporated and registered under the control of the Ministry of Commerce in Thailand. The principal businesses of the company are preparing accounting information, submitting taxation, consulting in accounting systems and selling software packages in accounting. The Asia Accounting

Company is a big company. It has more than 300 clients and is a famous company in Thailand.

In November 20X1, you were performing an audit at the company and found that apart from the main activities which are mentioned above, the company gained 10 million Baht from the real estate business. However, the company did not recognise this transaction in the statement of income and did not pay the special business tax. When you asked Mr. Dhamrong Danai, the Director of the company, he gave you an answer that although this significantly contradicts Thai Accounting Standards and the regulation of the Revenue Department of Thailand, this transaction did not involve the main objective of the company. In addition, the revenue from the real estate business was generated only in this one year. Mr. Danai claimed that it does not matter if the company does not inform the Revenue Department's officers because the tax collection system in Thailand stipulates that each company has to declare its self-assessed income. Moreover, he seems to be confident because he has close relationships with the officers of the Revenue Department and during the year 20X1, he often gives presents to the officers. Therefore, he insisted that the company's accountants neither record gain on the real estate business in the account nor submit the specific business tax.

Mr. Danai came to you and offered you some proposals. He said that if you do not detect the revenue of real estate business of the year 20X1, he will pay 100,000 Baht to you individually. Also, he will transfer some of the audit jobs for which he employed other auditing firms to the Account Pro audit firm. Moreover, he offered to increase the audit fee from two million Baht to 10% of the total revenue of the year ended 20X1. This year, the company has total revenue amount of 100 million Baht. Thus, it means that the total amount of the audit fee might be up to 10 million Baht. However, the Account Pro audit firm has set a policy that the auditors should estimate the audit fee from the complexity and complication of the accounting system and documents. In case of the Asia Accounting Company, you are quite interested in Mr. Danai's proposal. You think that if Account Pro audit firm accept his conditions, there will be increasing amount of benefit and revenue in the audit firm.

After the meeting with Mr. Danai, you plan to use marketing strategy. You will advertise to Mr. Danai and Asia Accounting Company that your audit office has many experts in auditing. In addition, the auditors in your office are able to conduct their

profession in all kinds of businesses around Thailand. Furthermore, you will offer lower audit fees compared to other audit firms in order to get a majority of the market share.

You want to go abroad for six months from December 20X1 to May 20X2 to visit your relatives and for your vacation. However, as a director of Account Pro audit firm, you have claimed that you will go for a field trip and work. Therefore, you will reimburse all the budget you have paid for this trip. Also, you have claimed that it will benefit the audit firm in general. During your vacation, you plan to assign Mr. Sarut Niti, another auditor in Account Pro audit firm to audit Asia Accounting Company Limited. You refuse to tell the management of Asia Accounting Company because you think that Mr. Niti will be able to work on behalf of you and the Account Pro audit firm. So, it will be no serious problem.

At the beginning of December 20X1 before you go abroad, there was a formal meeting among all partners and staff of Account Pro audit firm. The above issues involving the audit engagement of Asia Accounting Company Limited are revised. In particular, Mr. Niti, an auditor who you assigned to work on your behalf, discussed some important points and required you to explain them in detail in order to increase the credibility of audit quality and audit performance which comply to the codes of ethics in auditing profession. His arguments are as follows:

1. Mr. Niti questioned the process of the acceptance of audit work. As you know that Mr. Danai, the company's director, has a history of bribery and his claims seems to be risky for the accuracy of the company's financial statements. Therefore, Mr. Niti asked you to explain what procedures you use as a consideration to accept the audit engagement of Asia Accounting Company Limited. Also, if you wish to continue this audit engagement, what safeguards will you use to protect yourself from an accusation against your integrity and objectivity.
2. Mr. Niti does not understand why Mr. Danai was willing to increase the audit fee from 2 million Baht to 10 million Baht. He still wonders whether Mr. Danai has much more to hide than the real estate income amount of 10 million Baht or not. In this case, Mr. Niti wants you to explain what appropriate audit procedures should be performed to ensure the integrity of the client company's director.
3. According to Mr. Danai's proposal, Mr. Niti understood that Account Pro wants to expand the firm and needs higher profits. However, offering an audit fee expressed as a

percentage of revenue would contradict the codes of ethics of the auditing profession. Therefore, Mr. Niti asked you what procedures should be used to ensure that all partners and staff of the Account Pro audit firm behave with integrity. He wants to know what safeguards should be used to protect the auditors from accusations of self-interest.

4. Mr. Niti suggested you tell Mr. Danai that you would be willing to issue a qualified opinion if the company refuses to disclose the disputed amounts (the bribe and percentage audit fee). The reason is that if you accept Mr. Danai's proposals, it means that you conduct the audit engagement without independence. In this case, he wants you to do this to avoid threats to your independence.
5. Mr. Niti asked you to rethink about going abroad. He did not agree that you leave the audit engagement without telling the client. It is not because he did not want to help you, but he wants you to concentrate on your duty as a statutory auditor rather than as a manager of Account Pro audit firm. He was quite concerned about the audit quality and the reputation of the audit firm. Finally, he asked what would be the actions in response to this issue.

Assignments

Assuming that students are the auditors of the company in the cases, they are required to create an analytical audit working paper on ethics and moral consideration. Also, the students are required to apply the principles of Thai Auditing Standard and Code of ethics for Thai Professional Accountants as frameworks for their audit working paper.

5. Questions for discussion

From vignettes, students are required to consider, identify and reflect on the following questions:

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?
2. What are the impacts of ethical issues on the auditors, clients, public and society? Can you assess and identify the significant threats?
3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

6. Teaching Scheme

1.1 Target Audience

These case studies were developed for third-year undergraduate students who enrolled in the auditing course at Naresuan University, Phitsanulok, Thailand. There will be approximately 75 students who enroll in the auditing course namely “Auditing (222305)” in the second semester of the academic year 2014. Auditing (222305) has three credits and the course length will be 15 weeks comprising two lecture hours, two tutorial hours and five independent study hours per week. The vignettes will be introduced to the students after the midterm examination when the students have studied a wide range of concepts of auditing procedures including audit working papers and ethics in the accounting professions. Before providing the case studies, the concept of reflective learning has to be explained to the students.

1.2 Learning Time

The second semester of Naresuan University will be in August 2014 to December 2014. The case studies will be delivered to students over a three-week period (approximately week 10th to week 12th of the course in November to December 2014).

1.3 Learning materials

1.3.1 the Code of ethics for Thai Professional Accountants (FAP, 2012)

1.3.2 the Codes of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA, 2012)

1.4 Learning activities

These vignettes can be used for either a group or an individual student. For the auditing course in Narasuan University, the instructors may separate the students into three groups. Each group might be assigned to work on one case study. The role of the instructors is to supervise or guide the students when they have questions. The students are allowed to work on their project in a group. Learning activities might be as follows:

Week	Activities	Time
1	1. Lecturers revise concepts of auditing procedures including audit working papers, fundamental principles	Two hours (Lecture hours)

Week	Activities	Time
	<p>of ethics in accounting professions and threats which do not comply with the code of ethics.</p> <ol style="list-style-type: none"> Lecturers provide the concept of reflective writing. Students are given an opportunity to form a group Lecturers assign a vignette to each group Lecturers deliver the outline of the case studies Students must conduct and prepare an individual working paper after they have received the vignette. They are encouraged to pursue the vignette as a project which means that they have to manage their own time, plan and process of study. In the tutorial hour of the first week of vignettes implementation, the students do not need to attend the class. They are allowed to work in the library or in the classroom. Meanwhile, the lecturers will act as facilitators who supervise the students if they have questions. 	<p>Seven hours (Independent study hours + tutorial hours)</p>
2	<ol style="list-style-type: none"> The students are required to work in a group. They have to communicate to the group members about their own audit working paper which they have done. After that it will be a discussion among the group members. Each group is required to prepare a 30-minute presentation. The group must act as an audit team who provide important information and suggestions to the client. They are allowed to use PowerPoint presentation or other visualisations which they prefer. 	<p>Four hours (Lecture hours + tutorial hours)</p> <p>Five hours (Independent hours)</p>

Week	Activities	Time
3	<ol style="list-style-type: none"> 1. There will be a 30-minute presentation of each group. Other students are allowed to ask question and give comments on the presentation. 2. Within each group, the students will share their own experience of creating their own audit working papers to other group members. Also, the students need to explain what new knowledge or skills they acquire after using the vignette. At this stage, the lecturers will observe the students' behaviour and give scores for group discussion. 	<div>Two hours (Lecture hours)</div> <div>Two hours (Tutorial hours)</div>

1.5 Assessment

1.5.1 The vignettes will be worth 20 percent of the total course assessment. The instructors grade from the quality of the presentation in the classroom and individual audit working papers.

1.5.2 The marking scores consists of the following performances

1.5.2.1 Individual audit working papers

1.5.2.2 Group presentation

1.5.2.3 Group discussion

2. Cases analysis

Vignette 1

1. What are the ethical or moral issues which contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?

Possible issues for discussion:

The fundamental principles of the code of ethics for Thai Professional Accountants which should be considered in this vignette are

1.1 Transparency, Independence, Objectivity and Integrity

From the vignette, the auditor is dealing with the threat of familiarity and the threat of intimidation which do not comply with independence. Respect for the CEO of the company might lead to the auditor's lack of objectivity. In addition, if the auditor intends to ignore the investigation of the existence of the transactions and keep it in secret, these will not be in accordance with transparency and integrity.

1.2 Professional Competence and Due care

In the event that the auditor intends to ignore the investigation of the existence of the investment transactions and depends on the CEO's promise that he will attempt to sell all the stocks and return the money to the company by the end of this year demonstrates an inconsistency with professional competence and due care because he or she does not comply with accounting and auditing standards. In addition, the auditor is facing with the threat of self-review because he or she does not properly evaluate the results of judgement when providing a current service (CCAB, 2012).

2. What are the impacts of ethical issues on the auditors, clients, public and society?

Can you assess and identify the significant threats?

Possible issues for discussion:

2.1 The impacts on auditors

If the auditor signs the unqualified auditor's report without performing the audit, the financial information will be inaccurate. This affects the reputation and reliability of the auditing profession.

2.2 The impacts on clients

According to the vignette, the company allowed the CEO to perpetrate an asset misappropriation. As a result, the company will face a high amount of loss. Even though the CEO finally paid the money back to the company, during the year, the company still has problems with the liquidation of working capital.

2.3 The impacts on public and society

Shareholders and investors, who rely on the financial statements of the company, do not know about the perpetration of the CEO. The asset misappropriation and the intention to conceal the information with regard to the company's securities trading and insider trading within the year 20X1 might lead to misunderstanding and misjudgement by the stakeholders.

3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Possible issues for discussion:

The possible actions which the auditor can do are he/she could directly report the circumstance to the audit team and audit committee. In addition, the auditor should report the audit procedure which he/she has conducted to show the transparency and independent aspects. The significant issues should be discussed and resolved in the meeting. Also, the audit committee should take action on the CEO's behaviour.

In terms of compliance with accounting and auditing standards, the auditor should conduct his/her auditing by using audit programmes. Especially, if the auditor discovers the risks of accounting transactions, he/she should expand the scope of auditing and find more supporting documents. The auditor should suggest the best way to present accurate financial information. Furthermore, the auditor should disclose and highlight the fraudulent transactions to the public in the financial statements or the auditor's report. In addition, the fraudulent events should be reported to the Securities and Exchange Commission (SEC).

Vignette 2

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?

Possible issues for discussion:

The fundamental principles of the code of ethics for Thai Professional Accountants which should be considered in this vignette are

1.1 Professional Competence and Due care

According to the vignette, the auditor encounters the threat of self-review which means that the auditor should perform carefully when they review accounting information. In fact, the auditor should cautiously consider the adjustments of relevant transactions. In this case, the company has to recognise the loss on revaluation of assets of the amount of 75 million Baht and must increase the allowance for doubtful account receivable of the amount of 230 million Baht. If the auditor neglects to adjust these transactions, there will be a risk of a contradiction with the code of ethics in terms of

professional competence and due care because the auditor does not conform to general accounting standards. In addition, the auditor should not trust only the financial information and explanation which he or she obtained from the company without investigating certain supporting documents.

1.2 Confidentiality

In accordance with the case, the assistant auditors brought manuscripts and copies of beverage recipes to the audit firm without permission from the CEO. This contradicts the fundamental principle of the code of ethics for Thai Professional Accountants in terms of confidentiality. The auditors should be aware of the unintentional disclosure of the clients' information and clients should be treated with confidentiality even though the contract or engagement between the auditor and the clients has been terminated.

2. What are the impacts of ethical issues on the auditors, clients, public and society?

Can you assess and identify the significant threats?

Possible issues for discussion:

2.1 The impacts on auditors

If the auditor neglects to adjust significant transactions which are suspected to be misstatement and issues the unqualified auditor's report, the financial information will be inaccurate. This directly affects the reputation and reliability of the auditing profession.

2.2 The impacts on client

In the event that the assistant auditors brought manuscripts and copies of client's recipes to the audit firm without permission of the company might be vulnerable to the violation of the company's copyright. The significant information might be intentionally or unintentionally revealed to competitors. This might bring a great amount of loss to the client.

2.3 The impacts on public and society

Neglecting to adjust the misstated information of the auditors and the company affects shareholders and investors' decisions. In particular, those who rely on the financial statements of the company will think that the company has profits of 175 million Baht. This contrasts to the fact that the company has losses of 20 million Baht and might lead the shareholders to get loss per share if they decide to invest in the company in 20X1.

3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Possible issues for discussion:

The possible actions which the auditor can do are that he or she should investigate the details of documents such as the appraisal document from the Department of Lands, invoice from the company. Also, other auditing procedures should be conducted. For example, if the auditor cannot receive a confirmation from the Australian company, Sunny Co., Ltd, he or she should investigate on subsequent events to ensure the existence of debtors. In case of the account receivable of the amount of 180 million Baht which is possibly bad debt, the auditor should make sure that he or she has certain confirmation of the bankruptcy from the central bankruptcy court. Moreover, the auditor should acquire and update his/her knowledge involving appraisal transaction, allowance for doubtful accounts and bankruptcy in order to make correct adjustments.

With regard to confidentiality, the director of the audit firm should set up a rule to be aware of client's confidentiality. In addition, the firm should set up a control or monitoring system to ensure that the assistant auditors comply with the rule.

Vignette 3

1. What are the ethical or moral issues in contrast to the fundamental principles of the code of ethics for Thai Professional Accountants?

Possible issues for discussion:

The fundamental principles of the code of ethics for Thai Professional Accountants which should be considered in this vignette are

1.1 Professional Competence and Due care

According to the vignette, the auditor intends to advertise to Mr. Danai and Asia Accounting Company that his or her audit office has many experts in auditing. In addition, the auditors in the office are able to conduct their profession in all kinds of businesses around Thailand. This seems to be a self-interest threat and is not in accordance with the fundamental principle of ethics in terms of professional competence and due care.

1.2 Responsibility for clients

In the event that the auditor abandons his or her audit engagement without informing the client there is a self-interest threat. This is not compliant with the fundamental principle of the code of ethics in regard to responsibility for clients. According to the vignette, the auditor claimed that he or she will go abroad for a field trip and work is unreasonable because in fact he or she will go visiting relatives and for vacation. In addition, although he or she assigned Mr. Niti, another auditor in the same audit firm to perform audit engagement, he or she still has responsibility for the clients.

1.3 Responsibility for shareholders, partners, persons or juristic persons whom the auditors perform the auditing to

The auditor claimed that he or she will go abroad for a field trip which will benefit the audit firm. Also, the auditor will reimburse all costs to the firm's budget. This is a self-interest threat and is not compliant with the fundamental principle of the code of ethics in regard to responsibility for shareholders, partners, persons or juristic persons whom the auditor performs the auditing to. The behaviour of the auditor in this vignette shows a misappropriation of time and resources of the audit firm.

1.4 Responsibility for professional accountants

The behaviour of the auditor that he or she will offer the client lower audit fees than other audit firms in order to get a majority of the market share is a self-interest threat. This is also not in compliance with the fundamental principle of the code of ethics regarding responsibility for professional accountants. In addition, the director of Asia Accounting Company claimed not to declare and submit taxation for the revenue of real estate business of the year 20X1 and will pay 100,000 Baht for the auditor individually. Also, he offered many benefits on auditing jobs to Account Pro audit firm during the year ending 20X1. This contradicts the threat of advocacy. If the auditor accepts the proposal of the client, he or she will commit misconduct against the fundamental principle of the code of ethics with regard to the responsibility of professional accountants. This is an inappropriate conduct because the auditor has reciprocal benefits with his or her own client which also implies that they are not objective and independent.

**2. What are the impacts of ethical issues on the auditors, clients, public and society?
Can you assess and identify the significant threats?**

Possible issues for discussion:

2.1 The impacts on auditors

If the auditor commits misconduct against the responsibility of professional accountants, such as offering the client lower audit fees compared to other audit firms, or having reciprocal benefits with his or her own client, it will directly affect his or her reputation and reliability.

2.2 The impacts on clients

According to the vignette, clients will be vulnerable when the auditors claim that they are experts but in fact they do not have any experience in auditing the specific business. In addition, if the auditor abandons the audit job without informing the client in advance, it will directly affect the clients because they might not be able to submit taxation in time. This also creates fees for taxation or tax penalties.

2.3 The impacts on public and society

The public and society will be vulnerable when the auditors offer the client lower audit fees compared to other audit firms in order to get a majority of the market share because the auditors might provide poor quality of service and audit performance. As a result, this might lead to a big problem in business world.

3. What are the safeguards which are necessary to reduce the threats or mitigate them to an acceptable level? What actions should be performed as auditing practitioners?

Possible issues for discussion:

The audit firm should refuse to engage with the audit task if there are not competent and experienced auditors in the firm. On the other hand, if they engage with the auditing and consider that the audit jobs are complex and complicated, they should consult experts or specialists. In addition, the auditors should ensure that they clearly understand clients' businesses and environment and ensure that they are able to conduct the auditing with professional standards.

In terms of the responsibility for clients, in the case that the auditor is not able to perform the auditing, he or she should directly inform the client in advance. It will be more reliable if the auditor issues a letter which explains the reasons.

With regard to the responsibility for shareholders, partners, persons or juristic persons whom the auditors perform the auditing to, the auditor should comply with rules and regulations of the audit firm. He or she should utilise the time and resources of the firm in the most beneficial way.

In respect to the responsibility for professional accountants, the auditor should not give an incentive for others to find the audit jobs. In addition, the auditor should not set up the audit fee from the percentage of the total revenue of the fiscal year. On the other hand, he or she should set up the audit fee from the complexity of accounting system and documentation, features, risk and quantity of the document. Moreover, the audit fee should be calculated from the estimated time of audit performance and approximated costs of the actual work.

Appendix 7: Open-ended Questionnaire of the 2nd Empirical

Fieldwork (for students)

**Department of Accountancy and Business Finance
University of Dundee, Scotland, UK**

An implementation of the Vignettes to enhance the ethical sensitivity of auditing learners: open-ended questionnaire for auditing learners

Instructions:

1. The questionnaire consists of 10 questions:
2. Please write your answer in the space provided.
3. All of the information provided will be kept confidential and will be used only in this study.

Name.....
University..... Year of study.....
Age..... Gender.....
Date..... Time.....

Questions

1. Do you like/ enjoy studying auditing? Why (or why not)?
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.....
.....
.....
.....
2. Do you intend on entering to the audit profession in the future? Why (or why not)?
.....
.....
3. How do you learn auditing at the moment (e.g. lectures, tutorials, case studies)?
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.....
.....

4. Has the topic of ethics been covered in your auditing module(s)? If so, how was this topic covered/taught?

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5. Do you think ethics is important in auditing? Why (or why not) do you think it is important?

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6. Have you ever studied auditing using case studies related to ethics before? If so, could you explain your experience?

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7. If the lecturer assigns you case studies related to ethics in auditing profession, what do you think you will learn from these cases?

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8. If the lecturer assigns you case studies related to ethics in auditing profession, which activity do you think should be used to deliver the cases?

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9. Have you ever heard of reflective writing before? If so, could you explain what it is? If not, what do you think it might/could be?

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10. Have you ever heard of project-based learning before? If so, could you explain what it is? If not, what do you think it might/could be?

.....

.....

.....

Thank you

Appendix 9: Focus Group Questions of the 2nd Empirical

Fieldwork (for students)

**Department of Accountancy and Business Finance
University of Dundee, Scotland, UK**

An implementation of the Vignettes to enhance the ethical sensitivity of auditing learners: Post implementation questionnaire for auditing learners (Focus group)

1. Did you prefer studying auditing more or less after the implementation of case studies?
2. After the implementation of case studies, could you comment on these following dimensions?
 - a. Learning material (Vignettes)
 - b. Teaching methods
 - c. Time
 - d. Learning activities
 - e. Learning atmosphere
 - f. Teacher
 - g. Your personal work
 - h. Teamwork
 - i. Learning assessment
3. What did you like most about the vignettes which we used in the classroom?
4. Do you think the Vignettes to enhance the ethical sensitivity of auditing learners are beneficial for your learning? If so, how are they beneficial?
5. Do you think the Vignettes to enhance the ethical sensitivity of auditing learners can be applied to real life audit practice? Why (or why not)?
6. After the implementation of the case studies, do you think that your learning strategies changed? Could you explain this change/ how they have changed?

7. If the Vignettes to enhance the ethical sensitivity of audit learners were to be applied to other auditing classrooms in the future, in what way do you think it could be improved or modified?
8. If the Vignettes to enhance the ethical sensitivity of auditing learners will be applied to auditors who work in the audit firm in the future, in what way do you think it should be improved or modified?
9. Are there any problems do you have when you use case studies?
10. Is there anything else you would like to add?

Appendix 10: Lists of Experts in the UK and Thailand

List of Experts in the UK

No.	Reference	Qualification	E-mail date
1	Expert A	<ul style="list-style-type: none"> An author of an auditing textbook which is boardly used in the UK 	28.07.2014
2	Expert B	<ul style="list-style-type: none"> Senior Lecturer in Auditing, University of Dundee 	28.07.2014
3	Expert C	<ul style="list-style-type: none"> Lecturer in Auditing, University of Dundee 	28.07.2014

List of Experts in Thailand

No.	Reference	Qualification	E-mail date
1	Expert D	<ul style="list-style-type: none"> A lecturer in Auditing and Accounting, Thammasat University CPA (Thailand) – Big 4 audit firm 	17.09.2014
2	Expert E	<ul style="list-style-type: none"> A lecturer in Auditing and Accounting, Chulalongkorn University CPA (Thailand) – Big 4 audit firm 	17.09.2014
3	Expert F	<ul style="list-style-type: none"> A lecturer in Auditing, Chulalongkorn University CPA (Thailand) – Big 4 audit firm 	17.09.2014
4	Expert G	<ul style="list-style-type: none"> A lecturer in Auditing and Accounting, Chiangmai University CPA (Thailand) 	17.09.2014
5	Expert H	<ul style="list-style-type: none"> An expert in Accounting Education, The Federation of Accounting Professions CPA (Thailand) 	17.09.2014

Appendix 11: The Study Protocol

Study Protocol

1. Title

The Development of an Instructional Intervention for Auditing Learning:
Evidence from Thailand

Lead Investigator: Miss Chanida Yarana

Supervisors: Dr. Elizabeth A. Monk
Dr. Vicky Lambert

2. Version Number

Version 2, 20 October 2014

3. Introduction

This thesis focused on the development of an instructional intervention for Auditing Learning: Evidence from Thailand. With regard to the literature review, there has been a requirement for auditing lecturers and students to develop ethical reasoning since the economic crisis in the 2000s (Thomas, 2004; Abdolmohammadi *et al.*, 2009). Especially, nurturing ethics and morality is very important in Thai society due to the domestic economic and political crises (Phongpaichit and Baker, 2008). However, the lecture-based teaching strategy, which most of the auditing lecturers in Thailand use at the moment, is not effective enough to promote the self-awareness and critical thinking of the students (Numminen *et al.*, 2009). Meanwhile, other professionals such as law, medicine, nursing and engineering have successfully used case studies to enhance the ethical sensitivities of their students (McPhail, 2001) and case study is becoming an important instructional tool to enhance the ethical awareness among accounting and auditing students worldwide (McNair and Milam, 1993; Apostolou *et al.*, 2013). To this end, a set of case studies which is called “Reflective case studies to enhance the ethical sensitivity of auditing learners” is designed for Thai students. The conceptual framework of the case studies development is derived from Reflective, Transformative and Project-based learning theories. I apply the concept of reflective writing, in particular, to the

preparation of audit working papers for the students in practice. The hypothesis of this empirical study is that the Thai auditing students will obtain an effective learning tool which will enable them to enhance their ethical sensitivity and critical thinking skills.

4. Aims and Objectives

This study has three main objectives as follows:

- 4.1 to provide an opportunity for students to identify ethical issues and threats related to auditing profession.
- 4.2 to promote ethical sensitivity and critical thinking to the students with practice in applying reflective writing, transformative learning and project-based learning theories.
- 4.3 to provide students with practice in performing as audit practitioners in reflecting upon the ethical implications of specific circumstances and using critical skills in audit documentation to support their professional judgement.

5. Participants

These reflective case studies were developed for third-year undergraduate students. I specifically select participants who enrolled in the auditing course at Naresuan University, Phitsanulok, Thailand. The auditing course name is “Auditing (222305)” which has three credits and the course length will be 15 weeks comprising two lecture hours, two tutorial hours and five independent study hours per week. This course enrolls in the first semester of the academic year 2014.

In August 2014, I contacted the lecturer of this module and explained all significant information of this study including introduction letter, teaching note, case studies, questionnaires, a reflective writing task and focus group questions to her. She accepted my proposal and welcomed me to conduct the data collection in the classroom.

Before the actual implementation of the case studies, I plan to introduce myself to the students on 3rd November 2014 in the classroom. At the time, I will ask the lecturer to fill in a consent form and will ask her permission to explain the students privately. If she allows me to do so, I will inform the students about the fact of the new learning methods and the concept of this experimental study, which will be implemented with all students over three weeks after the introduction day. Then, I will provide the students a

letter of introduction, an information sheet and a consent form. I will inform the students that they are voluntary participants. They can choose to do the questionnaire, reflective writing task and focus group. They may stop at any time if they feel uncomfortable to answer any questions without any penalty. However, they will not receive any remuneration or reward. All students will be anonymous as they do not mention their personal information during the data collection. All information will be kept confidential and will be used only in this study. After my introduction and explanation, I will ask the students to opt in this study. If they prefer taking part in this study, they could individually complete a consent form for research ethics on human participants and return the form to me. When I receive the consent forms, I will collect them by myself and keep them in a sealed envelope.

6. Design and Methods

The case studies are expected to introduce to the students after the midterm examination (from 4th to 19th November 2014) when the students have studied a wide range of concepts of auditing procedures including audit working papers and ethics in the accounting professions. On 4th November 2014, the lecturer will implement the case studies as part of the normal teaching routine. Before using the cases, the lecturer will ask all participants to fill in an open-ended questionnaire. After they finish filling the form, I will collect all questionnaires by myself and keep them in a sealed envelope. During the instructional intervention, I will be an observer. I will take notes and will sometimes record audio type or video (as appropriate) in the following activities;

Week	Activities	Time
1 (4 th -5 th November 2014)	<ul style="list-style-type: none"> ➤ The lecturer revises concepts of auditing procedures including audit working papers, fundamental principles of ethics in auditing professions and threats which do not comply with the code of ethics. ➤ The lecturer explains the concept of reflective writing, project-based learning and reflective learning. 	Two hours (Lecture hours)

Week	Activities	Time
	<ul style="list-style-type: none"> ➤ Students are given an opportunity to form three groups. ➤ The lecturer assigns a reflective case study to each group. ➤ The lecturer delivers the outline of the reflective case studies and ensures that the students understand the overall concepts of each case. 	
	<ul style="list-style-type: none"> ➤ Students must conduct and prepare an individual working paper after they have received the reflective case study. They are encouraged to pursue the reflective case study as a project which means that they have to manage their own time, plan and process of study. ➤ In the tutorial hour of the first week of reflective case studies implementation, the students do not need to attend the class. They are allowed to work in the library or in the classroom. Meanwhile, the lecturer will act as facilitators who supervise the students if they have questions. 	Seven hours (Independent study hours + tutorial hours)
2 (11 th -12 th November 2014)	<ul style="list-style-type: none"> ➤ The students are required to work in a group. They have to communicate to the group members about their own audit working paper which they have done. After that there will be a discussion among the group members. ➤ Each group is required to prepare a 30-minute presentation (presentation 20 minutes, question and discussion 10 minutes). The group must act as an audit team who provide useful information and suggestions to the client. They are allowed to 	Four hours (Lecture hours + tutorial hours) Five hours

Week	Activities	Time
	use PowerPoint presentation or other visualisations if they prefer.	(Independent hours)
3 (18 th -19 th November 2014)	<ul style="list-style-type: none"> ➤ There will be a 30-minute presentation by each group. Other students are allowed to ask questions and give comments on the presentation. ➤ Within each group, the students will share their own experience of creating their own audit working papers to other group members. Also, the students need to explain what new knowledge or skills they acquire after using the reflective case study. 	Two hours (Lecture hours) 2 hours (Tutorial hours)

On 11th November 2014, before the students work in their group, I will invite the students for reflective writing and focus groups activities. They will receive an information sheet and consent form. They could opt in by contacting me directly and return the consent form to me. When I receive the documents, I will keep them in a sealed envelope.

On 19th November 2014, after a discussion activity within each group in the classroom, I will ask the lecturer for her permission to conduct reflective writing and focus groups activities privately. If she allows me to do so, I will invite the voluntary participants who have contacted me to do a self-reflective writing. This activity will encourage the participants to write on what they have learnt from the case studies. At this stage, the students will be anonymous. They do not need to put their name on the reflective writing sheet. The writing task will take 10 minutes for each participant. When they will return their writing task to me, I will collect all their writings and keep them in a sealed envelope. After the participants finish self-reflective writing, the voluntary participants will be asked to conduct focus groups. This activity will take approximately 20 minutes. I will inform the participants that the conversation will be recorded as audio files. The participants will not be asked to mention their name. Before starting the

questions, I will emphasise that all information which I obtain will be kept confidential and will be used only in this study. Then, I will begin with the questions from the lists and let the participants discuss on those questions. While conducting the focus group activity, I will take notes of seating map.

The documents which I will obtain from the participants in this study are

1. Consent form for research ethics on human participants (paper)
2. Opened-ended questionnaires (paper)
3. Self-reflective writing (paper)
4. Audio record files (computer files)
5. Video recorded files (computer files)

All paper documents will be kept in sealed envelopes. All computer files will be saved as CDs. I will keep all documents in a locked box. The audio and video recorded files might be stored in my computer which has password. I am only a person who can access these data. The data will be kept within three years. After that, I will destroy all the documents. I will bring the storage box back to the UK with me on 22nd December 2014. After that, I will analyse the data in January 2015 by using transcription, coding and interpretation.

7. Risks

There are no known risks from participating in this study.

8. Debriefing Arrangements

The results from the observation and interview will contribute to the development of an instructional model for auditing learning. After the participants have completed the study, these case studies might be an effective learning strategy which will benefit the students' career in the future.

9. Study Duration

The estimated date of my study is from 3rd November to 20st November 2014.

Appendix 12: Ethical Approval Letter from the University of Dundee



School of Psychology

University of Dundee Research Ethics Committee

University of Dundee
Dundee
DD1 4HN

22nd October 2014

Dear Miss Yarana,

Application Number: UREC 14137

Title: The Development of an Instructional Intervention for Auditing Learning: Evidence from Thailand

I am writing to you to advise you that your ethics application has been reviewed and approved by the University of Dundee Research Ethics Committee.

Approval is valid for three years from the date of this letter. Should your study continue beyond this point, please request a renewal of the approval.

Any changes to the approved documentation (e.g., study protocol, information sheet, consent form), must be approved by UREC.

Yours sincerely,



Dr Astrid Schloerscheidt
Chair, University of Dundee Research Ethics Committee

UNIVERSITY OF DUNDEE Dundee DD1 4HN Scotland UK t +44(0)1382 229993
e psych@dundee.ac.uk www.dundee.ac.uk/psychology

Appendix 13: Letter of Introduction for Lecturer



Department of Accounting and Finance
School of Business
Nethergate, Dundee
DD1 4HN
Scotland, United Kingdom

Date: 1st October 2014

Dear Lecturer,

My name is Chanida Yarana. I am a Ph.D student at the Department of Accounting and Finance, University of Dundee, Scotland. My thesis focused on the development of an instructional intervention for Auditing Learning: evidence from Thailand. With regard to the literature review and my first empirical study in which I investigated the current practice and problems of audit instruction in Thailand, there is a requirement for auditing lecturers and students to develop case studies in the Thai context. Additional, ethical intervention is required because the lecture-based teaching method, which most of the auditing lecturers use at the moment, is not effective enough to promote the self-awareness and critical thinking of the students.

Therefore, I have designed a set of case studies which is called “Case studies to enhance the ethical sensitivity of auditing learners”. The conceptual framework of the case studies development is derived from Reflective, Transformative and Project-based learning theories. I apply the concept of reflective writing, in particular, to the preparation of audit working papers for the students in practice. The hypothesis of this empirical study is that the auditing students will obtain an effective learning tool which will enable them to enhance their ethical sensitivity and critical thinking skills.

The purpose of this letter is to ask for your participation in the implementation of the instructional instruments in your auditing classroom. It would be appreciated if you could participate in this research. You will be expected to deliver additional activities to the students such as case studies, audit working papers and presentations. However, these learning strategies will benefit your students in general. After I conduct the data collection, all of the information will be kept confidential. Please feel free to contact me if the aforementioned request is acceptable. You can contact me at e-mail address: cvarana@dundee.ac.uk. I am looking forward to hearing from you.

Yours sincerely,
Chanida Yarana
Ph.D Candidate
University of Dundee

Appendix 14: Letter of Introduction for Students



Department of Accounting and Finance
School of Business
Nethergate, Dundee
DD1 4HN
Scotland, United Kingdom

Date: 1st October 2014

Dear Student,

My name is Chanida Yarana. I am a Ph.D student at the Department of Accounting and Finance, University of Dundee, Scotland. My thesis focused on the development of an instructional intervention for Auditing Learning: evidence from Thailand. With regard to the literature review and my first empirical study in which I investigated current practice and problems of audit instruction in Thailand, there is a requirement for auditing lecturers and students to develop case studies in the Thai context. Additional, ethical intervention is required because the lecture-based teaching method which most of the auditing lecturers use at the moment, is not effective enough to promote the self-awareness and critical thinking of the students.

Therefore, I have designed a set of case studies which is called “Case studies to enhance ethical sensitivity of auditing learners”. The conceptual framework of the case studies development is derived from Reflective, Transformative and Project-based learning theories. I apply concept of reflective writing, in particular, to the preparation of audit working papers of the students in practice. The hypothesis of this empirical study is that the auditing students will obtain an effective learning which lead them to enhance ethical sensitivity and critical thinking skills.

The purpose of this letter is to ask for your participation in the implementation of the instructional instruments. If you decide to participate in this research, you will be expected to do additional work such as case studies, audit working papers and presentations. You are encouraged to work as a group. These learning strategies will benefit your career in the future. After I conduct the data collection such as observation and focus group, all of the information will be kept confidential. I would appreciate your help in participating in this empirical study. Please feel free to contact me if the aforementioned request is acceptable. You can contact me at e-mail address: cvarana@dundee.ac.uk. I am looking forward to hearing from you.

Yours sincerely,
Chanida Yarana
Ph.D Candidate
University of Dundee

Appendix 15: An Example of Comments from the Experts

Commented by Expert C on Vignettes 30th July 2014

Dear Chanida,

Your research proposal is very timely and topical. One of the key issues in audit teaching is how to give context to the material being covered. Many of the students studying the material will have no business background and will find it difficult conceptualising around areas they are unfamiliar. The use of cases tailored to the country would appear to be a sensible approach. My only concern would be that built in county "issues" might get embedded in procedures if the focus is primarily skewed to the Thai context.

Is it your view that the approach to auditing a business (say a building company) would be different because the building company was working in Thailand to say, that which would be done for a building company operating in the UK? Wouldn't the accounting procedures and principles be the same and therefore so should the audit approach?

In our third year programme we use the text book "the Audit Process" by Gray and Manson. It focusses on a case study approach. The only problem is that the case studies tend to be large companies and again this makes it difficult for the students to easily conceptualise i.e. the cases are often far outwith their understanding.

We have been canvassing the authors to introduce smaller less complex cases to help the students get their head round the issues.

I would also like to see teaching institutions introduce mock businesses into their teaching programmes. By this I mean that we should create a set of business results from primary documents (invoices etc) through books of prime entry right up to draft accounts. These should all be computerised and students would be able to interrogate these records i.e. to make the whole process more realistic.

Case studies are definitely a good place to start, but I feel that they too have their restrictions - usually a very narrow focus, where the auditor needs to see the bigger picture.

Not sure if any of the above ramblings are of use, but please get back to me if you have specific areas you would like me to comment on.

Regards,
Expert C

Appendix 16: Participant Information Sheet (for the cases’ implementation)

PARTICIPANT INFORMATION SHEET

The development of an instructional intervention for auditing learning: Evidence from Thailand

INVITATION TO TAKE PART IN A RESEARCH STUDY

You are being asked to take part in a research study, which is conducted by Miss Chanida Yarana, a Ph.D student in Accounting and Finance from School of Business, University of Dundee. The study is supervised by Dr. Elizabeth A. Monk and Dr. Vicky Lambert.

PURPOSE OF THE RESEARCH STUDY

This study purposes to provide you a set of case studies which is called “Reflective case studies to enhance the ethical sensitivity of auditing learners”. The cases are designed for Thai auditing students whose learning strategy (lecture-based approach) they are using at the moment seems to be not effective enough to promote the self-awareness and critical thinking. The hypothesis of the study is that the learning tools will enable you to enhance ethical sensitivity and critical thinking skills after the implementation of the case studies. Furthermore, after you have completed the study, you will acquire an effective learning strategy which will benefit your career in the future.

TIME COMMITMENT

The study will require you to complete within three weeks (approximated date is from 3rd November to 20st November 2014). The data collection will be conducted in the auditing classroom at Naresuan University, Phitsanulok Province, Thailand. You will be required to fill in the consent form and complete open-ended questionnaire and complete the instructional intervention. The researcher will observe, take notes and record audio type or video (as appropriate) during the instructional intervention.

COST, REIMBURSEMENT AND COMPENSATION

Your participation is voluntary. You can choose to do the questionnaire and may stop at any time if they feel uncomfortable to answer any questions. However, you will not receive any remuneration or reward.

RISKS

There are no known risks for you in this study.

TERMINATION OF PARTICIPATION

You may decide to stop being a part of the research study at any time without explanation and without penalty. If you withdraw from the study, you will still be paid for your contribution.

CONFIDENTIALITY/ANONYMITY

The data we collect do not contain any personal information. No one will link the data you provided to your identity and name. All of the responses will be used for data interpretation and the study purposes only and will not be made available to anyone else. All documents (paper, audio and video recordings) will be kept for three years after which time the files will be destroyed. The results will be published in the thesis and all participants will not be identifiable.

FOR FURTHER INFORMATION ABOUT THIS RESEARCH STUDY

Miss Chanida Yarana will be glad to answer your questions about this study at any time. If you want to find out about the final results of this study, you should contact her as following details;

Miss Chanida Yarana
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You may contact her supervisors Dr. Elizabeth A. Monk and Dr. Vicky Lambert. You can reach Dr. Monk by e-mail address: e.a.monk@dundee.ac.uk. You can contact Dr. Lambert by e-mail address: v.lambert@dundee.ac.uk.

The University Research Ethics Committee of the University of Dundee has reviewed and approved this research study.

Appendix 17: Participant Information Sheet (for the focus group interview)

PARTICIPANT INFORMATION SHEET

The development of an instructional intervention for auditing learning: Evidence from Thailand

INVITATION TO TAKE PART IN A RESEARCH STUDY

You are being asked to take part in a research study, which is conducted by Miss Chanida Yarana, a Ph.D student in Accounting and Finance from School of Business, University of Dundee. The study is supervised by Dr. Elizabeth A. Monk and Dr. Vicky Lambert.

PURPOSE OF THE RESEARCH STUDY

This study purposes to provide you a set of case studies which is called “Reflective case studies to enhance the ethical sensitivity of auditing learners”. The cases are designed for Thai auditing students whose learning strategy (lecture-based approach) they are using at the moment seems to be not effective enough to promote the self-awareness and critical thinking. The hypothesis of the study is that the learning tools will enable you to enhance ethical sensitivity and critical thinking skills after the implementation of the case studies. Furthermore, after you have completed the study, you will acquire an effective learning strategy which will benefit your career in the future.

TIME COMMITMENT

The study will require you to complete within three weeks (approximated date is from 3rd November to 20st November 2014). The data collection will be conducted in the auditing classroom at Naresuan University, Phitsanulok Province, Thailand. You will be required to fill in the consent form and complete the reflective writing task and take part in focus groups activity. The researcher will collect your writing task and will observe, take notes and record audio type or video (as appropriate) during the interview.

COST, REIMBURSEMENT AND COMPENSATION

Your participation is voluntary. You can choose to do the activities and may stop at any time if they feel uncomfortable to answer any questions. However, you will not receive any remuneration or reward.

RISKS

There are no known risks for you in this study.

TERMINATION OF PARTICIPATION

You may decide to stop being a part of the research study at any time without explanation and without penalty. If you withdraw from the study, you will still be paid for your contribution.

CONFIDENTIALITY/ANONYMITY

The data we collect do not contain any personal information. No one will link the data you provided to your identity and name. All of the responses will be used for data interpretation and the study purposes only and will not be made available to anyone else. All documents (paper, audio and video recordings) will be kept for three years after which time the files will be destroyed. The results will be published in the thesis and all participants will not be identifiable.

FOR FURTHER INFORMATION ABOUT THIS RESEARCH STUDY

Miss Chanida Yarana will be glad to answer your questions about this study at any time. If you want to find out about the final results of this study, you should contact her as following details;

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Mobile phone number (Thailand): +66850407089

You may contact her supervisors Dr. Elizabeth A. Monk and Dr. Vicky Lambert. You can reach Dr. Monk by e-mail address: e.a.monk@dundee.ac.uk. You can contact Dr. Lambert by e-mail address: v.lambert@dundee.ac.uk.

The University Research Ethics Committee of the University of Dundee has reviewed and approved this research study.

Appendix 18: Main Questions and Sub Questions of the Open-ended Questionnaire in the 2nd Empirical Fieldwork

Question number	Main questions	Sub questions
1	Do you enjoy studying auditing?	1.1 Why do you think this? 1.2 How important is auditing with accounting degree, where 5=Most important and 1=Least important?
2	Do you intend on entering to the auditing profession in the future?	2.1 Why do you think this?
3	Have you studied ethics in accounting modules?	3.1 What were the modules in which you have studied ethics?
4	What do you think “Ethics” means?	-
5	To what extent do you think ethics is important, where 5=Most important and 1= Least important? 5.1 Ethics is important in Accounting 5.2 Ethics is important in auditing	5.1 Why do you think this?
6	To what extent do you use the following activities to study ethics where 5=Used a lot and 1=Not at all? 6.1 Lectures 6.2 Tutorials 6.3 Reflective case studies 6.4 Presentations 6.5 Others (Please state)	-
7	Do you use ethical case studies of ethics in auditing learning?	7.1 If you use case studies, to what extent do you think would be helped your learning of ethics by using case studies where 5= Most helpful and 1=Unhelpful? 7.2 Why do you think this?

Question number	Main questions	Sub questions
8	<p>To what extent would be the following methods benefit your learning of ethics where 5=Most beneficial and 1=Not beneficial?</p> <p>8.1 Self-study</p> <p>8.2 Assignments / projects</p> <p>8.3 Team work</p> <p>8.4 Group presentations</p> <p>8.5 Others (Please state)</p>	-
9	<p>After a lecture, to what extent do you think back (or reflect) on what you have learnt where 5=Every time and 1=Never?</p>	9.1 If yes, how do these processes help your learning?
10	<p>To what extent would a real-life case study/ examples encourage you to reflect on your learning where 5=a great amount and 1= not at all?</p>	10.1 Is there anything else you think would help your learning of ethics?

Appendix 19: Descriptive Statistics of the Open-ended Questionnaire

Question number	Frequency	Percentage	Mean
1. Do you enjoy studying auditing?			
Yes	10	12.98%	-
No	44	57.14%	-
Don't know	23	29.88%	-
Total	77	100.00%	-
1.1 How important is auditing with accounting degree, where 5=Most important and 1=Least important?	-	-	3.92
2. Do you intend on entering to the auditing profession in the future?			
Yes	20	25.97%	-
No	24	31.17%	-
Don't know	33	42.86%	-
Total	77	100.00%	-
3. Have you studied ethics in accounting modules?			
Yes	73	94.81%	-
No	4	5.19%	-
Total	77	100.00%	-
5. To what extent do you think ethics is important, where 5=Most important and 1= Least important?			
5.1 Ethics is important in Accounting	-	-	4.91
5.2 Ethics is important in auditing	-	-	4.99
6. To what extent do you use the following activities to study ethics where 5=Used a lot and 1=Not at all?			
6.1 Lectures			
6.1.1 In Accounting			
6.1.2 In Auditing	-	-	3.40
6.2 Tutorials	-	-	3.94
6.2.1 In Accounting			
6.2.2 In Auditing	-	-	3.25
6.3 Reflective case studies	-	-	3.45
6.3.1 In Accounting			
6.3.2 In Auditing	-	-	3.17
6.4 Presentations	-	-	3.81

Question number	Frequency	Percentage	Mean
6.4.1 In Accounting	-	-	3.04
6.4.2 In Auditing	-	-	3.74
7. Do you use ethical case studies of ethics in auditing learning?			
Yes	41	53.25%	-
No	36	46.75%	-
Total	77	100.00%	-
7.1 If you use case studies, to what extent do you think would be helped your learning of ethics by using case studies where 5= Most helpful and 1=Unhelpful?	-	-	2.92
8. To what extent would be the following methods benefit your learning of ethics where 5=Most beneficial and 1=Not beneficial?			
8.1 Self-study			
8.1.1 In Accounting	-	-	3.35
8.1.2 In Auditing	-	-	3.65
8.2 Assignments / projects			
8.2.1 In Accounting	-	-	3.66
8.2.2 In Auditing	-	-	4.00
8.3 Team work			
8.3.1 In Accounting	-	-	3.64
8.3.2 In Auditing	-	-	4.06
8.4 Group presentations			
8.4.1 In Accounting	-	-	3.48
8.4.2 In Auditing	-	-	3.91
9. After a lecture, to what extent do you think back (or reflect) on what you have learnt where 5=Every time and 1=Never?	-	-	2.62
10. To what extent would a real-life case study/ examples encourage you to reflect on your learning where 5=a great amount and 1= not at all?	-	-	4.25

Appendix 20: Pictures of Students' Performance



Picture 1: The lecturer and some of auditing students



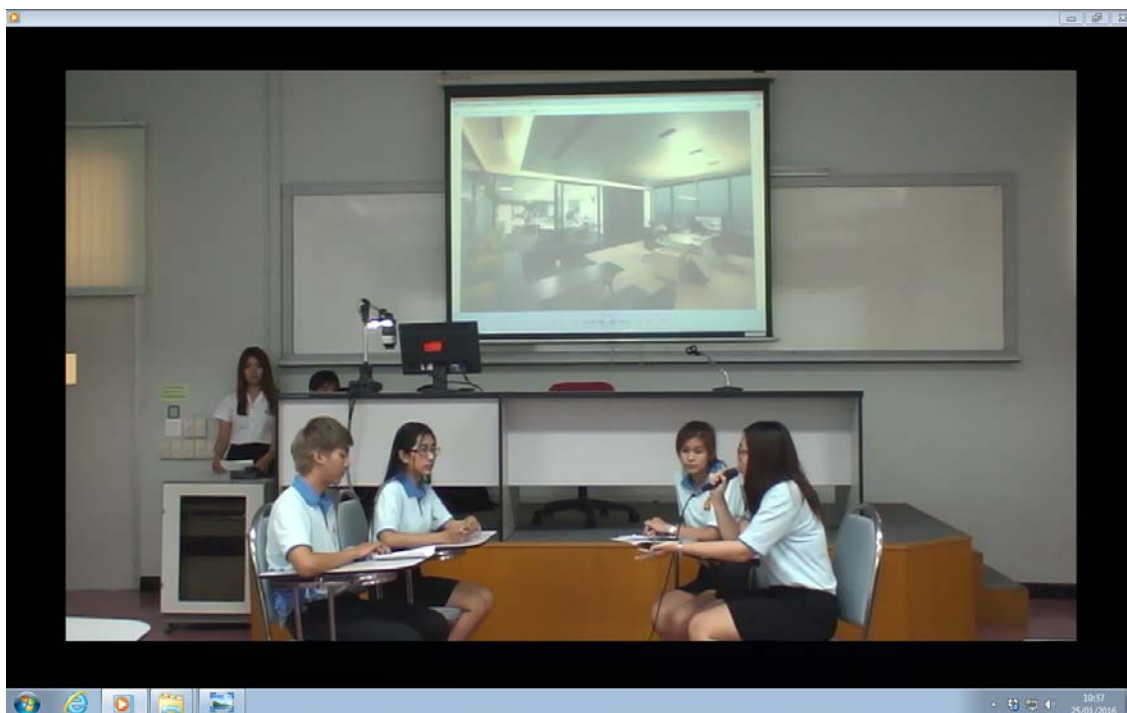
Picture 2: The atmosphere while the lecturer revised concepts of auditing to students



Picture 3: The atmosphere while students discussed on their work in each group



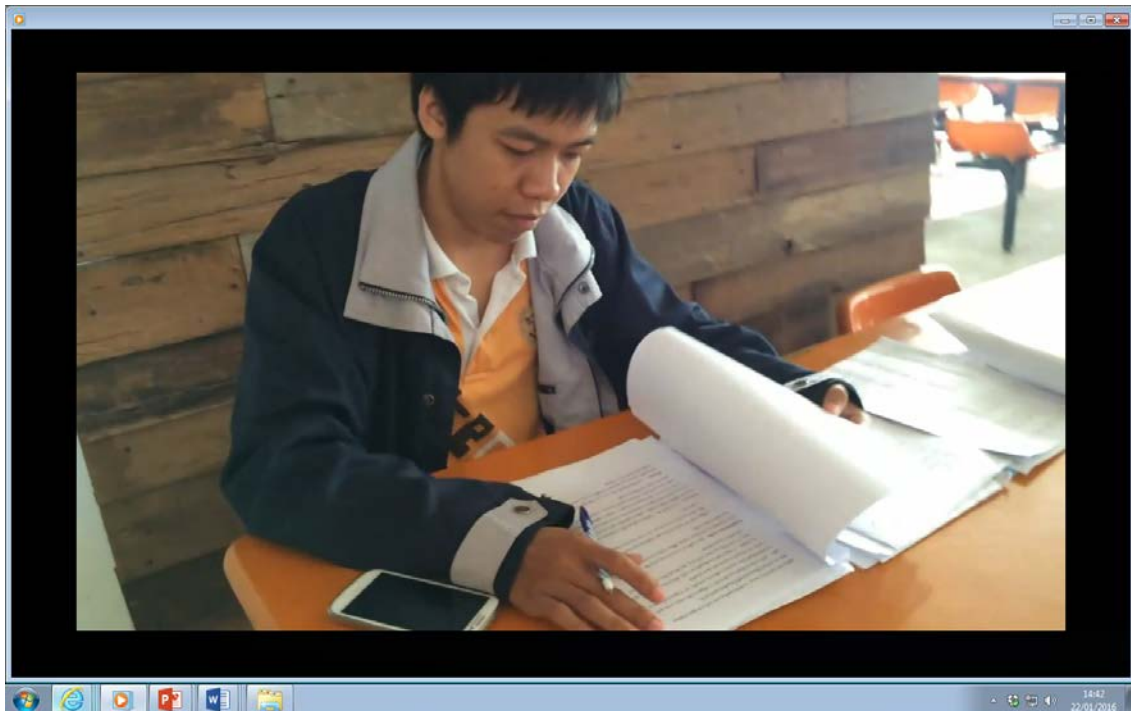
Picture 4: The students were trying to find a consensus on the case study and preparing for the group presentation



Picture 5: The presentation of group 1 (A role-play activity in the classroom)



Picture 6: The presentation of group 2 (PowerPoint presentation and discussion)



Picture 7: The presentation of group 3

(Students performed a role-play activity outside the classroom and recorded a video clip. They presented the video to other students and discussed on the case study in the classroom)



Picture 8: The focus group interview